

MISSISSIPPI STATE UNIVERSITY

PROCUREMENT AND CONTRACTS

MANUAL



January 2013

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PURCHASING

1) Background

- i) 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 Budget and Planning. The management of this department is the responsibility of the Director of Procurement and Contracts who is accountable to the Vice President for Budget and Planning.
- ii) 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.
- iii) 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.

2) 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.
- b) Procurement and Contracts will conduct all activities in accordance with the following code of ethics
 - i) Give first consideration to the objectives and policies of my institution.
 - ii) Strive to obtain the maximum value for each dollar of expenditure.
 - iii) Decline personal gifts, gratuities or any other gift of value unless accepted on behalf of Mississippi State University.
 - iv) Grant all competitive offers equal consideration insofar as the established policies of my institution permit, and regard each transaction on its own merits.
 - v) Conduct business with potential and current suppliers in an atmosphere of mutual confidence and integrity, void of intentional misrepresentation.
 - vi) Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.
 - vii) Use only by consent, original ideas and designs devised by one vendor for competitive purchasing purposes.

- viii) Be willing to submit any major controversies to arbitration or other third party review, insofar as the established policies of my institution permit.
- ix) Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.
- x) Cooperate with trade and industrial association and governmental and private agencies engaged in the promotion and development of sound business methods.
- xi) Foster fair, ethical and legal trade practices.
- xii) Counsel and cooperate with members of NAEP, NIGP, NASPO and MAGPPA, and promote a spirit of unity among them

3) 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.
 - i) Purchasing a contract item from a vendor not listed on the contract: For orders not more than \$5,000, a department may purchase the contract item from any vendor provided they receive pricing that is equal to, or lower than state contract. For orders over \$5,000, a department will be required to obtain at least two quotes and purchase from the low quote, provided the low quote must be at or below the state contract price.
- 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.
 - (1) Quotes must be for equal quality products
 - (2) Quotes should include any shipping charges
 - (3) Quotes should include any other applicable charges (installation, training, etc.)

- 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.
- g) Purchases made from the MSU Office Supply Store are exempt from the state contract requirements as well as the bidding process. Departments are free to purchase any needed items from the MSU Office Supply Store.

4) Functions of the Procurement and Contracts Department

- a) The functions of the Procurement and Contracts Department are to:
 - i) Prepare, with the cooperation of the academic and administrative user departments, the Mississippi Agricultural and Forestry Experiment Station (MAFES), and all Branch Experiment Stations, the Mississippi Cooperative Extension Service (MCES), the State Chemical Laboratory, the quality and quantity specifications for items and services to be purchased and establish delivery schedules.
 - ii) Provide user departments/units/schools or divisions with current information on new products and services, alternative materials, and costs.
 - iii) Encourage competition among vendors through competitive bidding and contract buying.
 - iv) Ensure that purchase orders and contracts contain all necessary conditions, such as guarantees, warranties, governmental regulations, shipping instructions, F.O.B. points, and credit terms and discounts allowed.
 - v) Develop records as needed to determine requirements of the institution for supplies, equipment, and services.
 - vi) Maintain adequate records and files of requisitions, purchase orders, vendors, state contracts, product information, and prices.
 - vii) Arrange for the disposal of surplus equipment.
 - viii) Encourage the use of standard specifications for items performing the same functions in the various divisions of the institution.
 - ix) Verify the specifications approved by the Physical Plant Department for the academic and administrative, Mississippi Agricultural, Forestry Experiment Station Repair, and renovation projects; verify that the requests for furniture and equipment purchased with Office of Buildings and Grounds funds conform to the purchasing regulations for the State of Mississippi.
 - x) Purchase license plates for all academic and administrative departmental vehicles.
 - xi) Research the sources of supply, study the adequacy of specifications, analyze commodities in relation to specifications, analyze substitute materials, and forecast market trends.

- xii) Review and approve all contracts, agreements, memorandum of understanding or any other obligations or commitments to which the University will be held, with the exception of contracts administered by Sponsored Programs. This shall include but not be limited to: maintenance agreements, equipment rentals, lease of space, all rental contracts, individual contracting agreements, consulting contracts, performance contracts, software contracts, personal service contracts, etc.

5) Requisitions

The purchasing cycle involves determining requirements by the user department/unit/school or division; communicating requirements to the Procurement and Contracts Department; processing the orders, conducting competitive bidding and contract buying, and selecting sources of supplies; issuing purchase orders or contracts; and receiving materials.

a) Determining Requirements

- i) The user department/unit/school or division determines its needs and initiates the request for purchase by completing the requisition form (Banner). Assistance will be provided by the Procurement and Contracts Department when needed to ensure that one's needs are being met and the "right" item purchased. The Procurement and Contracts Department is responsible for weighing all the factors involved in a purchase by bringing together the experience and judgment of all who are concerned. This will help ensure achieving the basic objective of obtaining the right quality and quantity, at the right price, from the right source, and at the right time.
- ii) The Department Head and/or Budget Manager approves the purchase request in Banner and obtains appropriate departmental approvals (also in Banner) before submitting the request (via Banner) to the Procurement and Contracts Department.
- iii) It should be noted that purchases of less than \$5,000 can most often be made more efficiently and economically by utilizing the MSU approved Procurement Card. It has been shown that the manpower, paper, postage, etc. required to produce a Purchase Order can often exceed \$100 while the costs to process a P-card purchase are probably less than \$25. To spend \$100 to purchase an item with a cost of less than \$5,000 may not be a good use of public funds.

b) Communicating Requirements

- i) Information about requirements of a user department/unit/school or division is communicated to the Procurement and Contracts Department by issuance of a requisition on which the requirements are clearly stated.
- ii) Once the requisition prints in the Procurement and Contracts Department, it is distributed to the proper Purchasing Agent and then one of the following happens:
 - (1) Processed immediately and a purchase order number assigned.
 - (2) Quotations are reviewed. If adequate quotes are not provided by the department Procurement and Contracts may solicit additional quotations (\$5,000.01 through \$50,000).
 - (3) Advertised and sealed bids are received on the items requested (\$50,000.01 and over)
 - (4) Given to the State Contract Specialist who checks prices, terms, and discounts to ensure compliance with the State contract regulations

6) Processing the Orders, Conducting Competitive Bidding, Contract Buying, and Selecting Sources of Supplies

a) Orders that are processed immediately:

- i) Items totaling not more than \$5,000.00.
- ii) Resale items.
- iii) Books and films in any amount.

b) Emergency or Rush Orders

- i) Emergency or rush orders for not more than \$5,000.00 that do not require price quotations or bids are handled immediately. The Purchasing Agent will place the emergency order by telephone, fax or e-mail to the vendor.
- ii) Emergency or rush orders for greater than \$5,000.00 will be handled by the Purchasing Agent. Verbal approval is requested from the Office of Purchasing and Travel, and once verbal approval is given, the Purchasing Agent will process the order immediately to the vendor.

c) Requisitions Requiring Quotes (\$5,000.01 to \$50,000)

If a requisition is received for item(s) totaling \$5,000.01 to \$50,000, the department should also submit at least two quotes.

d) Requisitions Requiring Bids (\$50,000.01 and Over)

If a requisition is received for item(s) totaling \$50,000.01 or more, an advertisement is placed in the news media once a week for two consecutive weeks with sealed bids being opened not less than seven working days following the second advertisement.

- i) Once bids are received, the Bid Specialist electronically submits the bids, spreadsheet, other applicable documents/information, and the Bid Approval Document to the department requesting item(s) to ensure placing the order with the lowest and best bidder according to specifications. If the department does not accept the low bid, the department must write a letter justifying why they are not taking the low bid. If the Purchasing Agent determines the justification appears valid the request is sent to the Office of Purchasing, Travel and Fleet Management for final review and approval or denial.

e) Requisitions For State Contract Items

Requisitions received by the State Contract Specialist are checked against the applicable state contract(s) for current prices, terms, F.O.B., and quantity discounts. The requisitions are then sent to the Order Clerk to be entered into the computer, printed and mailed, faxed or e-mailed to the vendors. Sole-source items, trade-ins, and sales of state-owned property are sent to the Office of Purchasing, Travel and Fleet Management for approval.

f) Office of Building and Grounds Funds

The Bureau of Building in Jackson allocates monies each fiscal year for repair and renovation projects for the academic and administrative departments, MAFES, all Branch Experiment Stations, MCES, the State Chemical Laboratory, and the Forest Products Utilization Laboratory. The Procurement and Contracts Department is responsible for approval of the specifications for these repairs and renovations, as well as for loose (that is, non-fixed) furniture and equipment that are purchased with Bureau of Building funds. Bid Documents may be prepared by one of the following:

- i) Using Agency: Facilities Management or the respective University Department may be responsible for preparing the specifications for the renovation contract or the furniture and equipment needs, including preparing Bid Documents for printing and distribution.
- ii) Professional: A Professional may be hired by the University to prepare the specifications for the renovation contract or the furniture and equipment needs of the University Department. In this case, the Professional will prepare the Bid Documents for printing and distribution.
- iii) Usually the Procurement and Contracts Department receives the detailed specifications and/or plans for the renovation contract or F&E purchase and insures that the information for bidders and other bid requirements conform to the purchasing regulations of the State of Mississippi and the Bureau of Building.
- iv) The specifications and/or plans are then forwarded to the Bureau of Building through the Board of Trustees. After the bids are received by the Bureau of Building, the Director of Procurement and Contracts helps the University Department to evaluate the bids and then makes a recommendation to the Bureau of Building through the Board of Trustees for the purchase of the equipment or award of a contract.
- v) All correspondence with the Bureau of Building and/or the Board of Trustees, which relates to purchasing, is typed on the President's stationery. The Director of Procurement and Contracts writes the letters and forwards them to the Vice President for Finance and Administration for approval. The letters are then forwarded to the President for Signature.

g) ***Paying with Federal Funds***

When using any Federal Funds, the department must ensure compliance with OMB Circular A-110, Sections 40-48 http://www.whitehouse.gov/omb/circulars_a110

7) Issuing Purchase Orders or Contracts

- a) Once a purchase order or contract has been approved by the Purchasing Agent, the order clerks enter the purchase order in the computer. Funds are encumbered when the order is entered. The original is mailed, faxed or e-mailed to the vendor by the Procurement and Contracts Department. The initiating department receives an electronic copy of the purchase order. Procurement and Contracts prints one copy, which is forwarded to the appropriate Invoice Control Specialist. A copy of the Purchase Order prints out at the Receiving Department.

8) Invoices

Invoices for purchases are received from vendors by the Procurement and Contracts Department. The Invoice Control Specialist enters the invoice into Banner and sends the department an email notifying the department the invoice is ready to be reviewed and approved. The Department should verify receipt and acceptance of the product or service and the accuracy of the invoice prior to approval in Banner. After approval by the Department the Invoice Control Specialist forwards the invoice to Accounts Payable so payment can be processed.

- i. If an original invoice is sent by a vendor to a department, it should immediately be forwarded to the Procurement and Contracts Department.
- ii. 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 should contact the Procurement and Contracts Department immediately for assistance in properly handling and documenting the problems. As soon as the issues are resolved, the department should approve the invoice for payment.

9) Receiving Materials

- a) Ordered materials are received by the University Receiving Station. The Receiving Station is managed by a supervisor who reports to the Property Officer. The Property Officer is responsible for both the receiving of materials and property control functions.
- b) Purchases are delivered to the appropriate department by the Receiving Station personnel. Large or heavy pieces of equipment may be delivered by a truck line at the direction of the Receiving Station. Deliveries are made daily. The Receiving Station personnel do not open and check the contents of packages.
- c) Someone in the department/unit/school or division who is accountable for purchase orders is to immediately inspect the shipment upon receipt.
- d) ***Partial Shipment***
For partial shipments on University orders, complete a partial payment in Banner.
- e) ***Damaged Shipment***
The Receiving Station personnel are responsible for checking cartons for damage when they are received. If a carton is torn and the receiving clerk suspects there may be concealed damage, this information is noted on the Freight Bill and the freight line representative is asked to sign the bill acknowledging that the carton is damaged. If a department receives a damage shipment, the carton must be retained and Procurement and Contracts notified. Procurement and Contracts will then contact receiving to pick up the damaged shipment. The Receiving Station will file a damage report with the freight line and request an inspection. Once the inspection is made, the Receiving Station will file a freight claim with the carrier or they will notify the vendor to file a claim. On shipments that are F.O.B. Mississippi State (i.e., destination), the vendor is responsible for the goods until they are received at Mississippi State University in good condition. In the event the shipment is damaged, the vendor should file the claim and promptly replace the damaged items. On shipments that are F.O.B. shipping point, the buyer (i.e., M.S.U.) is responsible for the shipments and must file the freight claim.

10) 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, please notify the Invoice Control Specialist at Procurement and

Contracts Department. 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.

11) Maintenance Agreements

- i) All maintenance agreements are to be signed by the Procurement and Contracts Department. They should be attached to a signed requisition and sent to the Procurement and Contracts Department.

12) State Sales and Federal Excise Taxes

- i) State sales taxes and federal excise taxes are not paid on purchases for the academic and administrative departments, MAFES, MCES, State Chemical Laboratory, or Forest Products Utilization Laboratory. Tax exemption certificate is available at <http://www.procurement.msstate.edu/forms/taxform.pdf>.

13) License Plates

- i) Upon receipt of an invoice and Title Application for the purchase of a vehicle, the Procurement and Contracts Department processes the paperwork for the purchase of license plates for all academic administrative departmental vehicles.

14) Computers and Telecommunications Equipment

- i) The Mississippi Department of Information Technology Services (ITS) 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 ITS 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 ITS approval, but must comply with State purchasing laws. For additional information, contact the Procurement and Contracts Department.

15) Postage and Postal Supplies/Services

- i) All postage and postal supplies/services can be paid for using the procurement card.

16) Renting or Leasing Equipment

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

17) 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>

18) Contract Guidelines

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.

- a) 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.

- b) 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.
- c) 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.

19) Revenue Generating Contracts

(including leases of land, buildings or other facilities and any other contract in which MSU is expected to receive revenue)

- a) Prior to initiating contract discussions with potential contractors, the requesting department should submit a request letter to the Office of Procurement and Contracts (P&C). This request should clearly define the proposed scope of the project, the anticipated revenue, the intended procedure for entering into the agreement (RFP, negotiations, other), the intended use for the revenues, a proposed timeline for the project and any other information that would aid in the review.
- b) Upon receipt, P&C will review the proposal, evaluate the proposal in relation to other contracts currently on campus as well as other contracts being considered and will make a recommendation to the Vice President for Finance and Administration concerning final approval.
- c) If the Vice President for Finance and Administration approves the project, P&C will notify the requesting department and will provide advice and assistance concerning the process to be followed for solicitation and negotiation of a contract.
- d) All Revenue Generating Contracts must be reviewed and approved by General Counsel (GC) prior to final approval. P&C will be responsible for submitting the contract document to GC. The Vice President for Finance and Administration or the Director of P&C will be responsible for signing the contract. Contract services/relationships shall not be initiated prior to complete execution of the agreement (signed by both parties with an original on file in the Office of Procurement and Contracts).
- e) IHL Board approval is required for all Revenue Generating Contracts projected to generate aggregate total revenues of more than \$250,000 or if the term of such contract exceeds four years. Upon completion of an acceptable contract P&C will obtain a completed agenda item from the department and forward the agenda item to the President's office for inclusion on the IHL Board agenda. Note that the lead-time on obtaining IHL approval is usually about one month or more so departments are urged to start early.
- f) For all Revenue Generating Contracts the department will name a Contract Administrator. Prior to the beginning of the contract the Contract Administrator, in cooperation with the department head and the Office of Procurement and Contracts will develop a Contract Administrator Tasks and Responsibilities document to be agreed to and signed by the three parties. This Tasks and Responsibilities document, at a minimum should include:
 - i) Verifying that all services are being performed as set forth in the contract
 - ii) Verifying that all revenues are being received as set forth in the contract
 - iii) Verify that all applicable bonds and insurance documents have been received and are determined to be adequate.

- g) On a monthly basis, the Contract Administrator will be expected to provide the Office of Procurement and Contracts with a summary of all revenues received as well as accurate accounting records which document the process used to verify revenues are in compliance with the contract. P & C will provide a monthly summary of all such revenues to the President.

20) Contracts (other than Revenue Generating Contracts)

Please remember that only those specifically authorized in writing to do so may sign contracts for the University. We suggest the following process:

- a) Send the contractor 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>
- b) 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 they are in substantial agreement with our contract, have them prepare Part C that identifies the specific clauses, which cause them problems, and provides alternative language. This type of contract is easier to review than an entire new contract document.
 - i) If they accept and sign our contract, submit the contract to P&C for execution. Remember, very few individuals on campus have the authority to sign a contract or agreement. If there is not a letter from the President authorizing someone to sign such agreements, then they should not sign the contract!
 - ii) If the contractor refuses to accept our standard contract, send them a copy of the Mandatory Addendum and ask them to incorporate it into the contract. Have them 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 department with any required changes. The department should have the contractor initial the changes, sign the contract, and return it to P&C, where we will sign the agreement.

21) IHL Approval

IHL Board approval is required for all contracts or purchases of more than \$250,000. Upon completion of an acceptable contract P&C will obtain a completed agenda item from the department and forward the agenda item to the President's office for inclusion on the IHL Board agenda. Note that the lead-time on obtaining IHL approval is usually about one month or more so departments are urged to start early.

22) Contract Administrator

For all Contracts the department should name a Contract Administrator. Prior to the beginning of the contract the Contract Administrator should develop a Contract Administrator Tasks and Responsibilities document to be submitted to P&C with the contract. This Tasks and Responsibilities document, at a minimum should include:

- a) Verifying that all services are being performed as set forth in the contract
- b) Verify that all applicable bonds and insurance documents have been received and are determined to be adequate.
- c) Verifying that all payments are in compliance with the contract and for services that have been received.

23) HRM Forms

a. Contracting Services of Individuals, Sole Proprietors, and Nonresident Aliens

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.

24) Available Tools

a. Service Contract

<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. Remember, there are very few people on campus with authority to sign a contract. If you don't know for sure, don't sign it.

b. Exemption From State Contract

<http://www.procurement.msstate.edu/forms/statecontractexemption.xls>

This form is to be used if there is adequate justification for purchasing an item other than the one that is available on state contract. Reasons may include obtaining a price that is significantly better than the state contract price or having a unique need that cannot be met by the state contract item. The form is designed to ask the pertinent questions to determine the adequacy of the justification. Remember, the person making the decision is not in your office and does not know the background. You will need to provide enough information so that an average person with no prior knowledge would come to the same conclusion. Remember, if you have a bad experience with any state contract item, it should immediately be brought to the attention of the vendor and P&C. The state contract items have been evaluated by a number of agencies and have been determined to meet the needs of the majority of state agencies and institutions. If you receive an inferior product it is probably a bad batch or the vendor may be shipping the wrong product. Don't wait until you want to order again and then say "don't buy that junk". Let's give the vendor the opportunity to correct the problem before we throw the vendor and the product in the trash can.

c. Single Source

<http://www.procurement.msstate.edu/forms/solesourceapproval.xls>

This form is to be used if there is only one item that can meet the needs of the department and there is only one supplier of the item. Again, the form provides the questions that should be answered, in detail, so that the decision makers can clearly see why we must by-pass the statutory requirements of the competitive process. "Yes" and "No" answers to the questions will most likely invite a rejection and delays in the process. "Because they are the only ones in the area" and "because they are the lowest price I could find" are other "reasons" that will be rejected. If your justification was printed on the front page of the newspaper, what would be the reaction of the everyday taxpayer? Provide enough information that there will be no question.

d. *Emergency Approval Form*

<http://www.procurement.msstate.edu/forms/emergencyapproval.xls>

This form is to be used when there is a true emergency situation that requires bypassing the statutory requirements for competition. Once again, telling the complete story will aid in this process.

e. *Approval For Research*

<http://www.procurement.msstate.edu/forms/researchapproval.xls>

This form is to be used when a product is required for research purposes and no other product will meet the needs of the research. A good description of the research project and how the product is being used will aid in the approval process.

f. *Request For Payment For Association Dues Or Fees*

<http://www.procurement.msstate.edu/forms/dues.pdf>

The Attorney General has determined that there are certain occasions when it is acceptable for MSU to pay association dues or fees. Completion of this form will ensure that the department and MSU are in full compliance with the guidelines.

g. *Request For Payment For Speaker Fees*

<http://www.procurement.msstate.edu/forms/speakerfees.pdf>

Any time a speaker is to be paid in excess of \$2,000 this form must be completed and submitted to P&C with the contract.

h. *Food Purchase Form*

<http://www.procurement.msstate.edu/forms/foodpurchase.pdf>

Any time we are purchasing food for individuals or a group this form must be completed. Once again, this process ensures that we have the appropriate information to substantiate the expenditure.

i. *Hotel Charges Form*

<http://www.procurement.msstate.edu/procard/forms/hotelcharges.pdf>

Any time we are purchasing rooms for individuals or a group this form must be completed. Once again, this process ensures that we have the appropriate information to substantiate the expenditure.

j. *Mandatory Addendum*

<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.

k. *Rental Agreement For Equipment*

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.

25) *Term Contracts*

- a) This is a contract whereby a source of supply is established for a specified period of time for specified services or supplies. These contracts allow the University to complete the bidding

process one time and then purchase the identical item or services repeatedly over the term of the contract. These contracts can increase efficiency by reducing the number of times bids are solicited and by speeding up the time from need recognition to acquisition. In addition, these contracts can provide better prices by aggregating the needs of the entire university over the term of the contract.

- b) The department should determine the items or services they will need on a reoccurring basis. The requisition should include the list of the items or services as well as estimated quantities of each. The P&C staff will work with the department to ensure the appropriate clauses and conditions are included in the IFB or RFP. Some of the issues that must be determined in the development of the solicitation would include:
 - i) Should it be awarded all to one vendor or line-by-line?
 - ii) Can one product/service or group of products/services meet the needs of the majority of departments on campus?

26) 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

27) Staff Information

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