

POLICIES AND PROCEDURES GOVERNING PURCHASING

SOUTHERN UNIVERSITY AT NEW ORLEANS CAMPUS



PURCHASING OFFICE

PURCHASING DEPARTMENT CONTACTS & GENERAL RESPONSIBILITIES

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Responsible for Request for Quotations, Purchase Orders, Purchase Order Changes, Banner Input and assisting the Director.

PURCHASING DEPARTMENT MISSION STATEMENT

The mission of Southern University at New Orleans is to create and maintain an environment conducive to learning and growth and to promote upward mobility of all people. The performance of this component in the department of purchasing also plays a part in promoting and influencing the public relations and image of this university. It is our responsibility to form a good relationship with vendors so they may form only positive opinions of the entire organization. The opinion can be communicated to other potential vendors and will adversely affect the purchaser's ability to get new business and more responsive vendors.

PROCUREMENT STATUTES

State agencies shall be in compliance with statutes governing procurement passed by the Louisiana Legislative body. A quick reference guide for Statutes and/or Revised Statutes (R.S.) can be located on the office of State Purchasing Website at www.doa.louisiana.gov/osp.

ETHICS STATEMENT

All public purchasers are required to adhere to the ethical standards for public servants. Care must be exercised to avoid impropriety.

(Revised Statute R.S. 42:1101 – 1170).

PROHIBITED CONTRACTUAL ARRANGEMENTS

Per Louisiana R.S. 42:1113a, no public servant, or member of such public servant's immediate family, or legal entity in which he is a controlling interest shall bid on or enter into any contract, subcontract, or other transaction that is under the supervision or jurisdiction of the agency of such public servant. See statute for complete law, exclusions and provisions.

TAXES

Southern University, as an agency of the State of Louisiana, is presently exempt from the payment of taxes except those spelled out in travel guidelines. Tax Form is available to vendor upon request.

This Section Describes Procedures for the Procurement of
Goods and Services

Purchases Require a Purchase Order in Advance

Other than the purchasing procedures for emergency purchases and purchases made with the LeCarte procurement card, it is against University policy to make purchases in the name of the University without a purchase order.

Board of Supervisors policy states:

“Any employee or group of employees of the Southern University system who incur obligations in the name of Southern University or any agency thereof without following the proper and established University procedures and policies shall be personally responsible for the obligations incurred.”

“The University will not pay any obligations incurred by a student, student organization, or any other person or organization which does not conform to the policies and procedures of the University.”

Violators are reported to the Vice Chancellor for Finance and Administration. The Vice Chancellor will decide if a purchase order will be processed for payment.

It is important to note that violation of purchasing guidelines can have a detrimental effect on the creditworthiness of the University and may also prompt unfavorable audit findings.

GENERAL GUIDELINES

Vendor Selection

Vendors may request to be added to the Southern University Purchasing Department Bidder's list. Vendors are required to send a W9 Form, Register with the Secretary of State Office and/or Register with location of business, complete the S. U. General Conditions Form.

Vendors may also register with the State of Louisiana to eventually do business with Southern University. Vendors may request to be added on State Contract through State Purchasing that will allow items on state contract to be sold to Southern University. No competitive prices are required for state contract purchases. Prices are initially obtained by State Purchasing, this eliminates the taking of bids or quotations or both effecting considerable savings in time and money.

Vendors may register with Louisiana Economic Development at www.LED.Louisiana.gov with the Small & Emerging Business Development Program (Hudson and Veteran Initiative Programs). This initiative provides additional opportunities for certified Louisiana based small entrepreneurships to participate in contracting and procurement with the State of Louisiana.

Vendors are also selected from State Purchasing bidder's list through the bid process when bids are posted on the state web site LAPAC (LA Procurement and Contract Network).

General Procurement Guidelines

1. Purchases up to \$10,000.00 require one (1) written quotation.
2. Purchases over \$10,000.00 and up to \$20,000.00 require three (3) or more written quotations.
3. Purchases over \$20,000.00 and up to \$29,999.99 require five (5) written quotations.
4. Purchases \$30,000.00 or more required a sealed Bid to be sent to at least five (5) vendors. The advertisement is placed in newspaper, if construction project the is advertised up to three (3) per seven (7) days. Bids are also sent to at

least five (5) vendors. If construction project is over \$50,000.00 bidder shall place license number on outside of bid envelope.

If the number of quotes cannot be obtained as required, a letter of explanation is required.

Once the bid is open, the requesting Department reviews bid package to ensure that bidder is bidding as specified. Purchasing Department prepares "Intent to Award" letter to responsive bidder. If no protest hearing is requested from other bidders within **14** days, the responsive bidder is issued a contract. The vendor sends the Signed Contract along with Performance & Payment Bond (if applicable), Insurance Certificate and any other procurement documents to the Purchasing Department. The Contracts are signed by President and Chancellor. A "Notice to Proceed", copy of the Contract and Purchase Orders are sent to the vendor. Once the job is completed SUNO issues a "Notice by Owner of Acceptance of Work. The owner (vendor) files form with Orleans Parish Clerk of Court. If no liens are issued to vendor with 45 days the Clerk issues a "Clean Lien Certificate. The vendor sends a copy of the lien to the Purchasing Department to allow remaining 10% payment to vendor. Vendor is allowed up to 90% payment until clean lien is received.

Public Works Contracts less than \$154,450.00

Public Work Contracts less than \$154,450.00 "Public Work" means the erection, construction, alteration, improvement, or repair of any public facility or immovable property owned, used, or leased by a public entity. Public work includes labor and materials (See R.S. 38:2212 A).

There are no statutes governing public work contracts that are less **\$154,450.00**. However, the Legislative Auditor recommends that for any public works project in excess of \$25,000, the governmental entity solicit at least three (3) bids.

Note: (Public Work Contracts): The Southern University Purchasing Department will allow three (3) bids for projects not to exceed \$154,450.00 depending on the urgency of the project. The contract limit shall be equal to **\$154,450** per project including labor, materials, and equipment. **Contracts cannot be broken down or purchase requisitions cannot be split as to avoid the Public Bid Law.**

Bids are advertised in local State Journal Newspaper (The Advocate) and online through the State of Louisiana Purchasing Network Service (LaPAC). Bids results are also posted on LaPAC – <http://www.state.la.us/osp.htm>

Request for Proposal (RFP)

Used when seeking a solution to a definitive problem, for highly technical equipment, complex services or contracting with a group purchasing organization. Award is made to the responsible bidder whose proposal is the responsive and advantageous to the state with consideration to cost as well as other evaluation criteria. All RFP's must be sent to the Purchasing Department to be forwarded to the Louisiana Office of State Procurement. A complete RFP guideline manual may be copied from the Office of State Procurement website.

Software Purchases

If software only, one (1) written quote is required up to \$150,000.00

- If over that amount, approval is required from Louisiana State Office of Information Technology and Contractual Review.
- IT-10 Form from the State Office of Technology is required.

Hardware Purchases

If over \$150,000.00, approval is required from Louisiana Office of Information Technology and Contractual Review

- IT-10 Form from the Office of Technology is required
- Additional information listed on Louisiana State Office of Technology Website: <http://www.state.la.us/osp.htm>

State Contracts Purchases

No competitive prices are required for State Contract purchases. Prices are obtained by State Purchasing, this eliminates the taking of bids or quotations or both, effecting considerate savings in time and money.

Wire and Cable Services on state contract require prior approval by the S.U. Technology Department (Mr. Randy Powe) and the Louisiana Office of Telecommunication (OTM). OTM sends an approved contract imprinted with a state seal and the OTM logo. The Purchasing Department sends the purchase order to OTM; after approval **OTM** sends the purchase order to the vendor. Work performed on orders not in compliance will constitute a contract violation and vendor shall receive a recommendation for non-payment.

Please contact the Office of Technology and Network Services for additional information.

Cell Phones/Wireless Hotspots

- Cell phones and wireless hotspots require prior approval by the S. U. Office of Facility Operations and Finance & Administration.

Additional state contract information is listed on the Louisiana State Contract Website: www.doa.state.la.us/osp/osp.htm

Emergency Purchases

An emergency condition is a situation which creates a threat to public health, welfare, safety, or public property that may arise by reason of floods, epidemics, riots, equipment failures or such other reasons as may be proclaimed by the chief procurement officer. The existence of such conditions creates an immediate and serious need for supplies, services, or major repairs that cannot be met through normal procurement methods and the lack of which would seriously threaten the function of Louisiana government; the preservation or protection of property; and the health or safety of any person.

If an emergency occurs, if possible, three (3) vendors should be contacted to request a quotation, if the amount is over \$5,000.00. One (1) quotation is required if the amount is \$5,000.00 or less. **See Public Works Contracts Procurements (page 4).**

Contact the Purchasing Department for prior approval

If time does not permit, contact one (1) vendor, send letter of justification/explanation to the Purchasing Department along with purchase requisition and quotation. A letter is required with all emergency purchases.

Emergency documents need to be submitted to the Purchasing Department the next business day.

Note: Poor planning does not justify emergency purchases

Sole Source Purchases

Sole Source procurement is permissible only if a requirement is available from a single supplier. This means the supply is sold only by a single supplier which is usually the manufacturer.

- Sole Source Form needs to be filled out by potential vendor and requestor
- A written quotation is required and letter from the vendor and requestor
- Two additional vendors are solicited

Chief Procurement Officer determines that vendor qualifies as a “sole” provider for merchandise.

Authorized Dealer Purchases

The Louisiana Procurement Code requires that maximum competitive bids shall be obtained (where the cost exceeds \$5,000.00) in accordance with R.S. 39:1655. An exception to minimum competitive requirements for authorized dealer purchases.

- An “Authorized Dealer Certification Form” must be completed by authorized vendors for **repairs** and/or **parts**.
- The form is used for services over **\$5,000.00**; when using one (1) vendor

Examples of authorized vendors for repairs and parts are: Office machines, automobiles, scientific equipment, elevators, boilers, heating/air conditioners, appliances, etc.

Vehicle Purchases (New)

A letter of explanation is required to purchase vehicles which should include the type of purchase, the purpose for the vehicle, the number of drivers per year, and the estimated mileage per year. A vehicle must be traded before adding to the fleet. If a vehicle is not available, it must be justified in writing and approved by the Office of State Purchasing.

Other Requirements:

- BA22 Form
- Alternative Fuel Vehicle Purchase Information Form
- Transfer Trade-in Form
- Transfer trade-in form must be picked up from Southern University Facilities Department
- All forms are sent to the Office of State Purchasing for approval.

If approved, State Purchasing sends a State Purchase Order to the Purchasing Department. After check is processed from a University Purchase Order for the vehicle, the original check is mailed to the vendor, a copy of the check is taken to State Property and the vehicle is picked-up from by the Facilities Department.

Vehicle Purchases (Pre-Owned)

Pre-owned (used) vehicles must be purchased from the Louisiana Property Assistance Department only. A vehicle must be traded before adding to the fleet. If a vehicle is not available, it must be justified in writing and approved by the Office of State Purchasing.

Used Equipment Purchases

- Buying used equipment may result in savings to the University. A letter is sent to the Purchasing Department to request the purchase of used equipment
- Letter should include: The price for which the used equipment may be obtained
- The plan for maintenance and repair of the equipment, if applicable
- The savings that will accrue to the State/University
- A written quotation from the vendor
- A purchase order is processed if approved by the Chief Procurement Officer

Scientific Purchases

Scientific supplies and/or equipment purchases up to \$30,000.00 require one (1) written quotation. Split purchases are not allowed and will not be honored by the Purchasing.

State Surplus Purchases

Buying surplus equipment for Louisiana Property Assistance Agency (LPAA) may result in savings to the University. The surplus items are located at 1059 Brickyard Lane, Baton Rouge.

- Call (225) 342-6849 to visit site for availability of items
- Request a written quotation for LPAA, once items are selected
- Send quotation, purchase requisition and responsibility form (pre-payment required) to the Purchasing Department to process purchase order

Campus Dining Purchases

The University currently has a food service contract with Aramark. To request food services or catering, the end user must obtain a written quote or event sheet from Aramark and submit the document along with a purchase requisition to the Purchasing Department. The purchase order is emailed or faxed to Aramark.

Off Campus Catering Purchases

Off campus catering is allowed if Aramark cannot provide the service or if the University event is held off campus.

- If Aramark cannot provide the on campus service, Aramark will send a letter to the requestor. The following documents are required to process a purchase order.
- Letter from Aramark, Purchase Requisition, Vendor's Quotation, Special Meals Form and Participants' List.
- If the event is held off campus, the following documents are required to process a purchase order:
- Purchase Requisition, Vendor's Quotation, special Meals Form and Participants' List
- Liability Insurance Required

Note: A letter of justification is required if the participants' list is not available. However, the list must be sent to the Purchasing Department the next business day, after the event.

LaCarte Card Purchases

LaCarte is the Louisiana's procurement card program. This card is provided by the State of Louisiana and Bank of America. It is a credit card issued for official state business. The procurement card helps streamline supplies and services purchases. It is an alternative method to simplify purchases up to \$999.99 without competitive pricing and will replace procurement methods for supplies and/or services. The University has implemented the LaCarte card to be used for purchases up to \$999.99. The object code for supplies is 73100.

Contact the LaCarte Administrator in the Comptroller's Office for training and additional details.

PROFESSIONAL SERVICES CONTRACTS

"Professional Service" means work rendered by an independent contractor who has a professional knowledge of some department of learning or science used by its practical application to the affairs of others. Or it may be in the practice of an art founded on it including, but not limited to lawyers, doctors, dentists, architects, engineers, landscape architects, and accountants.

Professional Services Contract Preparation – DocuSign

Unit Head/Grant Director

Prepares and signs contract

Obtain Contractor's signature

Prepares Certification Letter, Consultant Form and W-9 (tax identification)

Prepares Purchase Requisition and attach to contract in DocuSign
Transmits to Dean/Director
Submits time sheets to Human Resource and Purchasing when work is Completed

Dean/Director

Approves Contract and Related Documents
Transmits to Purchasing

Human Resources

Reviews contract
Signs Contract Approval Form
Returns to Purchasing
Reviews and approves time sheets
Transmits time sheets to the Vice Chancellor for Administration and Finance/Comptroller's Office

Chancellor

Reviews Contract and attachments
Signs Contract and Consultant Forms
Transmits to Vice-Chancellor for Administration & Finance

Vice-Chancellor for Administration & Finance

Reviews and approves documents if \$19,999.99 or less, returns to Purchasing, otherwise, forwards to the President's Office

President

Reviews and approves documents
Returns to Purchasing

Purchasing Department

Reviews contract and if in order, forwards to Comptroller's Office
Assigns Vendor and Purchase Requisition numbers
Encumbers Funds
Signs Contractual Approval Form
Prepares Purchase Order
Attaches Purchase Order and Purchase Requisition and forward to Comptroller's Office for payment

If a Contract exceeds \$50,000.00 prepares BA22 Form, transmits letter and forward to the President's Office and the Office Contractual Review, when appropriate.

Comptroller's Office

Processes documents for payments

Issues check

Note: The Contractual Performance Evaluation Form must be submitted to the Purchasing Department within five (5) days upon completion of services. Forms not submitted may delay final payment to contractor.

Professional Services \$2,000 or Less

A professional services contract is not required for services \$2,000 or less.

Requirements for Contracts \$2,000 or less:

- Signed Proposal with complete details; including address, telephone number, email address
- Completed W-9 Form
- Completed Consultant Authorization Form
- Send to Purchasing Department after proper approvals

Student Organizations must contact the Chancellor's Office regarding Professional Services Contract for Concerts.

Printed Contract/Agreement Forms

Printed contracts or agreements from a vendor may only be signed by the President and/or Chancellor. The form should be sent to the Purchasing Department along with the purchase requisition through DocuSign.

How to Prepare a Purchase Requisition

Note: The Purchasing Department does not have authority to process purchase requisitions coded to Grants, Auxiliary Accounts which includes Student Accounts without prior approval. The purchase requisitions are sent by the Purchasing Department to the Comptroller's Office for compliance and/or Vice-Chancellor for Administration & Finance for approval. If the request is in compliance and/or approve, the purchase requisition is processed by the Purchasing Department.

Purchase Requisitions must be submitted in a timely manner

- Must be submitted within the fiscal year closing deadlines
- Must be submitted within the grant closing deadlines
- Purchase Requisitions must have a complete description
- Such as, model numbers, stock numbers, brand names, color, sizes, etc.
- Complete vendor information is required: Vendor's name, address, zip code, telephone and fax number and email address
- Purchase Requisitions must have proper signatures and codes.

Purchase Requisitions for construction jobs should be approved by the Facilities Department or the Office of Facilities Planning

- This includes renovations to buildings, electrical work, purchase of flooring (tile, carpet), paint, air conditioners, doors, etc.
- Requestor must fill out the Project Request Form

Purchase Requisitions for Travel

- Travel related requests shall be approved by the Facilities Department and the Office of the Vice-Chancellor for Administration & Finance.
- Bus transportation must be approved by the Purchasing Department to ensure that the company has proper insurance coverage.

Please ensure that all travel documents are sent to the appropriate areas in a timely manner as stated in the travel guidelines implemented by the Facilities Operation and Comptroller's Office. **A travel request form is required with all travel.**

Contact the Comptroller's Office for complete travel guidelines.

Split Purchase Requisitions

It is against State and University guidelines to avoid taking competitive quotations when the total amount of the purchase exceeds \$10,000.00 by requesting vendors to quote part of the merchandise on the quotation and the remainder on a second. Split purchase requisitions will not be honored by the Purchasing Department.

Request for Quotations by Departments General Guidelines (See Guidelines on Page 4)

1. Purchases up to \$10,000.00 require one (1) written quotation; non-competitive.
2. Purchases over \$10,000.00 and up to \$20,000.00 require three (3) or more written quotations. A minimum of three (3) business days shall be allowed for vendor response.
3. Purchases up to \$30,000.00 require five (5) written quotations.

Split purchases are not allowed and will not be honored by the Purchasing Department.

Procedure

- When requesting quotations, the same complete description of item(s) should be sent to each vendor.
- Vendor must sign and date the quotation
- Vendor quotation must not be discussed or disclosed to other potential vendors.

Purchase requisitions sent to vendors by fax to obtain quotations are not allowed. In the past, vendors have shipped from purchase requisitions.

Quotations and other supporting documents must be sent to the Purchasing Department along with the purchase requisition.

The Purchasing Department will make award to the most responsive bidder.

Non-Competitive Purchases:

Advertising, Books, Bus Charters (if purchased through state-contracted travel agency), Cell Phones (state contract only), Equipment Repairs, Parts from Authorized Dealer, Livestock (purchased at public auction), Memberships, Subscriptions, Parcel/Courier Services, Shipping Charges, Postage Meter Replenishment, Publications Fees, Purchases from other Stage Agencies, Registration Fees, License Fees, Scientific, Utilities (public utilities), All State Contract Purchases, Purchases from Follett Bookstore and Aramark (food service provider).

Note: The Purchasing Department remains at your service and will handle the quotation process for any department's requisitioned needs.

Guidelines for Advance Payments

- Purchase Orders will be forward to the Comptroller's Office (Accounts Payable).
- Fill out responsibility Form provided by Accounts Payable. The Purchasing Department does not issue Responsibility Forms.
- Attach Responsibility Form to the Comptroller's Office Departmental Invoice
- Transmit all documents to the Comptroller's Office
- Contact Comptroller's Office (Accounts Payable) for additional information.

If possible, please avoid this type of purchase

Purchase Order Process

- Purchase Orders are created by the Purchasing Departments in the Banner Financial System.
- Purchase Orders are printed daily in the Purchasing Department, if time permits.
- The Vendor's Copy of the Purchase Order is emailed, faxed or mailed the next business day.
- The Department's Copy of the Purchase Order is placed in the mail room the next business day.

To avoid duplicate shipments, Department copy of Purchase Order should not be faxed to the vendor by the department.

- The Payee Copy of the Purchase Order is sent to the appropriate areas (Comptroller's Office) for payment.

- The Reference Copy of the Purchase Order with all supporting documents are filed in the Purchasing Department.

Note: Merchandise should not be ordered on a purchase order that has been closed

Purchase Order Changes and/or Cancellations

Request for purchase order changes and/or cancellations should be done in writing and approved in advance by the Purchasing Department.

- Letter must include the purchase order number, the reason for change and/or cancellation and the amount to be adjusted
- Merchandise received must be for the specific items listed on the approved purchase order.
- Items cannot be substituted
- If you receive merchandise not on the purchase order, you must make arrangements with the Office of Central Receiving (Stores) to return merchandise
- If merchandise is not available or no longer in stock, and the company has replaced it with another item, only then a purchase order change can be made to replace the initial item.

REQUIRED FORMS

- Tax Exempt Form
- Professional Services Contract
- W-9 Tax Form
- Sole Source Form
- Authorize Dealer Form

