| Purchasing Policy | Procedure | 323 |
|---|---|---|
| | Effective Date | 12/13/24 |

**1.0 PURPOSE**

The purchasing of equipment, supplies, printing, services or rental of equipment and facilities must be executed in accordance with all applicable state and federal statutes in an efficient and business-like manner. The following College policies and procedures are to be followed by all College personnel conducting or executing purchasing activities. Compliance is necessary to ensure that appropriate state and federal statutes are not violated.

**2.0 REVISION HISTORY**

Adopted on:
Revised on: May 14, 2024

**3.0 PERSONS AFFECTED**

All UA-PTC Employees

**4.1 DEFINITIONS**

**Commodities** – Tangible assets

**Technical and General Services** – Services which involve time and labor that are evaluated based on the quality of work and results produced. The contract specifies the performance standards expected in the rendering of the services. The College has managerial control over the day to day activities of the individual(s) providing the services.

**Professional Consultant Services** – Services where the contract specifies the performance standards expected from the rendering of the services, rather than detailing the manner in which the services shall be rendered. The College does not have direct managerial control over the day to day activities of the service provider(s).

**Total Projected Cost -** The total projected cost (TPC) is the initial contract amount plus, the cost of all possible amendments or extensions.

**Initial Contract Amount** – The cost attributed with the initial term of a contract. For example, if the total potential length of a contract can be seven years, but the initial term of the contract is 3 years before any possible extensions then, the initial contract amount would be based off the cost of three (3) years of service.

**Capital Improvements** – All lands, buildings, structures, utilities, on-site and off-site improvements, and other appurtenant improvements, existing or future, and all construction, repairs, alterations and renovations thereof which are undertaken, owned, operated, or otherwise managed by the College.

**Purchasing Thresholds –** The dollar amounts governing the bidding process required for procurements within the dollar ranges decided upon by the State of Arkansas. Purchases less than $20,000 do not require a quote or bid, but best prices should always be sought. Unless an exception is granted by the Agency Procurement Official (Director of Procurement) of the UAPTC Office of Procurement, purchases of $20,000, but less than $75,000 require three quote bids, and purchases of $75,000 or more require a competitive sealed bid.

**Emergency Procurement** – The acquisition of commodities or services, which if not immediately initiated, will endanger human life or health, state property, or the functional capability of a state agency.

**Amendment 54** – Constitutional amendment giving exclusive jurisdiction over procurement of specific commodities to the State Procurement Director, these include printing, stationery and supplies and may only be purchased by the State Procurement Director or his designee. These commodities must be procured in accordance with competitive bidding and competitive sealed bidding procedures regardless of purchasing threshold.

## 5.1 PROCEDURE

### A. Authorized Officials

The Chancellor, Provost, Vice Chancellor for Finance, Director of Procurement or their designee(s), are the only authorized employees entitled to obligate funds of the College. Only the Agency Procurement Official (APO), or designee, is authorized to sign purchase orders for the College.

### B. Laws, Regulations and Policies

The responsibility of the Office of Procurement is to ensure all purchases are in compliance with the policies of the College, UA System, Federal Government, and Arkansas State regulations. All State laws, policies and procedures apply to the College. In order to maintain compliance, Procurement will review all purchase requests prior to approval. Additional information may be required of a requestor by the Office of Procurement.

### C. New Supplier Setup

To provide the most economical means to procure goods and services, it becomes necessary for the efficient operation of the College to establish vendor relationships. Therefore, there is an established procedural approval process and standardized request process to address new supplier requests or changes to existing vendors

1. **Searching for an Existing Supplier**

   In Workday, type Find Suppliers in the search box. Type supplier name in Supplier field and click OK. If a specific supplier cannot be located and has been used before, contact Procurement for assistance. If a new supplier needs to be setup follow the process outlined below to request a new supplier(s).

2. **Requesting a New Supplier**
    a. From the UA-PTC the Office of Procurement webpage, click on the Forms page and save the Supplier Application for PaymentWorks form.
    b. E-mail the Supplier Application for PaymentWorks form to the requesting supplier. The supplier should be instructed to fill it out and return to purchasing@uaptc.edu.
    c. Procurement will enter this information into PaymentWorks which will send a link to the supplier to complete the setup process. After setup by the supplier, the information will go through a series of approvals before final approval and set up is complete. In the event the supplier will preforming services on the College campus, a copy of the supplier's general liability insurance will also be required.
    d. The contact person requesting the supplier will be notified, via e-mail, of the new supplier ID.

3. **To Request Changes to an Existing Vendor**
    a. Determine what information needs to be changed, added or removed and notify Procurement at purchasing@uaptc.edu.
    b. The Office of Procurement will notify the supplier who will have to make any requested changes within PaymentWorks.

4. **Additional Guidelines for Vendor Requests**
    a. Search Find Suppliers in Workday to determine if the Supplier already exists.
    b. The Description of Desired Goods or Services is required for all new supplier requests.
    c. Multiple new supplier requests should be completed individually.

**D. Restrictions on Purchases**

The Constitution of the State of Arkansas specifically mandates that certain services and commodities be purchased through state contracts. Restricted items include, but are not limited to, the following, tires, wholesale gasoline, oil and related products, motor vehicles, vehicle rentals, paper products, stationary, printing and related supplies, copier leasing, and office supplies. Such items shall be bid by the Office of State Procurement in Little Rock and awarded to vendors who service all State agencies. In addition to State restrictions, the College has restrictions of permissible acquisitions as well; restricted items include but are not limited to the following, cleaning supplies, facility services, and food. Certain exemptions may apply; any questions should be directed to the Office of Procurement.

**E. Emergency Procurements**

There will exist situations where immediate procurement of commodities or services may be required in which, the typical procurement process cannot be followed and immediate requirements must be filled. All emergency procurements shall be approved in advance, when feasible, by the Agency Procurement Official. Where time or circumstance does not permit prior approval, approval must be obtained at the earliest practical date. Approval should first come from the Office of Procurement before any Emergency Procurement is initiated.

**F. Petty Cash**

Occasionally, there may be items needed to be purchased for which petty cash can be authorized. For eligibility and other details please refer to the petty cash policy, and direct any questions to Accounts Payable.

**G. Professional Consultant Services (PCS) and Technical General Services (TGS)**

Specific requirements exist for obtaining contract or purchase order approval for PCS and TGS contracts. The vendor selection, bid process, and approval process are largely determined by dollar thresholds established by the Arkansas Office of State Procurement, and scope of the project. The approval process and timing can range from simplex to complex. A low dollar contract ($20,000 to less than $75,000) may only take a few days, while a higher dollar contract ($75,000 or above) may require review by the Legislature or Joint Budget Committee, and take as long as nine (9) months for final approval.

The guidelines for service contracts change periodically; therefore, contact the Vice Chancellor for Finance or the Director of Procurement before making any plans which include professional consultant, or technical, general services.

**H. Construction**

For information on construction or capital improvements, please refer to the UA–PTC policy regarding capital improvements.

**I. Vendor Selection Methods and Bidding Processes**

The purchase of commodities, services, or of rental equipment and facilities, must be executed in accordance with all applicable state and federal statutes. The following purchasing procedures apply to those types of purchases and shall be adhered to by all College personnel. At the discretion of Procurement Services, either the requestor or Procurement shall engage the bid process with potential suppliers. Potential suppliers include, but are not limited to, previous successful bidders for the same service or commodity as well as suppliers deemed appropriate by Procurement or the requestor.

In accordance with Act 1456 of 2003, Act 1222 of 2009, and Act 893 of 2011 as amended, and pursuant to UA-PTC's Minority Business Plan, Arkansas *certified* minority business enterprises (MBE's) will be invited to respond to a competitive bid.

Requestors shall not artificially divide their requests so as to avoid or to attempt to circumvent State Procurement Law and bidding procedures; such attempts are considered 'split procurement,' and are expressly prohibited by state law and institutional rules.

*Repeated small quantity procurements to circumvent the competitive bid limits or failure to obtain competitive bids without justification shall constitute a violation of these procedures and may result in withdrawal of UA-PTC's competitive bid privileges.*

Requestors shall be mindful to not enter into arrangements in which conflicts of interest may exist. For a better understanding of what is considered a conflict of interest, refer to the most current Conflict of Interest policy. If a conflict of interest might exist, or if there is any doubt regarding what constitutes a conflict of interest, contact Office of Procurement before taking any further actions.

Bidding requirements vary by the total amount of the purchase, or dollar thresholds, and the type of procurement. It is always good practice to obtain, at minimum, three (3) quotes. Guidance will be provided to requestors, as needed, on how to make acquisitions. Any questions regarding the appropriate process involving the procurement of services, supplies, or equipment, should be directed to the Office of Procurement. For any procurements, not classified by the State as Small Procurements, Office of Procurement needs to be contacted prior to contact with any one vendor who could be involved in the bidding process.

Listed below, sections 2 and 3, are the most common solicitation processes used in procuring services and commodities. For a full list of current or recent bids, please visit the Office of Procurement Active Bids and Proposals webpage located at https://uaptc.edu/procurement/active-bids-and-proposals.

1. **State contracts,** both mandatory and non-mandatory, are those agreements which are the results of solicitations issued by the Arkansas Office of State Procurement for use by all state agencies; examples of mandatory contracts include tires, motor vehicles, vehicle rentals, and paper products. Regardless of the amount of the purchase, if a mandatory contract exists for the desired service or commodity, that contract MUST be utilized by the procuring agency. Procurements made from state contracts are not required to go through a bid process. The same holds true for non-mandatory state contracts which can be utilized as well but Reasonable effort should always be made to ensure using a State contract is in the best financial interest of the College.

2. **Small procurements** are one of the least restrictive types of purchases. The threshold for small procurements is a purchase under $20,000. Small purchases may be procured without seeking competitive bids. However, time allowing and when practical, multiple bids should be obtained. A requisition must be entered into Workday and a signed purchase order (PO) must be issued **prior** to purchase. Bids can be obtained in written form by fax or email. All bids obtained are to be submitted with the requisition as backup documentation.

   *Purchases subject to Amendment 54 – printing, stationery and printing supplies will always require three (3) bids, regardless of dollar amount unless purchased through a state approved vendor.

3. **Competitive bidding,** Arkansas Procurement Law and Rules 19-11-234 et seq. requires an attempt to obtain a minimum of three (3) written (faxed, e-mailed, company quotation form) competitive bids and submit those to the Office of Procurement prior to entering any $20,000 or higher requisition. A competitive sealed bid is required for any goods or services $75,000 or higher and are facilitated through the Office of Procurement with assistance from the department requesting the goods or services. This does not apply to services and commodities defined in Arkansas Code Annotated § 19-11- 203 (14) as exempt; technical and general services or professional and consultant services under State contract; or commodities or services available through cooperative purchasing agreements recognized by the Arkansas Office of State Procurement. Care should be taken to ensure purchases made through state contracts are financially advantageous for the College.

The Competitive Bid Template is required for competitive bids requiring a formal competitive bid, based on the purchasing thresholds, the Competitive Bid Template must be used. The Competitive Bid Template is located on the Procurement website, https://uaptc.edu/procurement/forms-and-processes.
Requestors shall use the Competitive Bid Template to draft their quote request to vendors. The bid template shall include such things as, scope, specifications, or other criteria and benchmarks required for quotation purposes. The Competitive Bid Template shall be submitted to the Office of Procurement for review *before* being sent to suppliers. Once the Office of Procurement has approved the Competitive Bid Template for use, the bid request is authorized to be sent to prospective bidders.

3. **Backup Documentation** is required for the majority of purchase orders. All email documentation, bid summary form, Contracts and Grants Disclosure, Restriction to Boycott Israel, and any other required documentation should be submitted as backup documentation for all requisitions. Once Office of Procurement receives the requisition and all pertinent backup documentation, the requisition will be reviewed for final approval. Additional supporting documentation may be required. Requisitions pending approval from purchasing will be returned if required documentation is not received.

   In any instance where there is a requirement for the College to accept a supplier's terms and conditions, or acceptance of a contract, these agreements must be submitted through the Office of Procurement and UA Legal for review. In an effort to save time, it is advisable that documents are submitted for legal review as early in the process as possible, but no later than a month before. It is unnecessary to enter a requisition prior to submitting documents through Office of Procurement. All binding agreements, or documents requiring signatory approval of the College, can be emailed to contracts@uaptc.edu.

## J. Requisitions

1. All departments of the College should designate primary personnel as authorized users in Workday for the purposes of entering purchase requisitions. The intent is for there to be an adequate, but minimal, list of authorized users to ensure timely and accurate entry of requisitions.

   It is recommended that an academic department's group of authorized users be comprised of full-time administrative office personnel and not full-time or part-time faculty whose training may be deficient and availability be limited by class schedules. This is not to imply that faculty should not be authorized – rather the goal is to increase standardization and accuracy of requisition entry across the fewest, but adequate, number of users.

2. Requestors are responsible for the accuracy of their requisitions. If a requestor submits a requisition which is later deemed to be inaccurate, the requestor can ask the Office of Procurement to return the requisition to them prior to it going through all the approval tracks. Requisitions that do not follow the requirements will be returned, or denied. The Office of Procurement should not be asked to make changes to requisitions, or purchase

orders, once they have gone through the approval process.

Prior to entering requisitions users are required to attend a training session. Training sessions will be provided upon request, during PD weeks and at various times throughout the month.

It is extremely important that requestors send suppliers the approved PO upon notification by Workday that a requisition has now been issued a PO.

3. It is the responsibility of budget managers to review the requisitions they are approving for accuracy and that they serve the best interest of the College.
   The Office of Procurement will also review requisitions to ensure they abide by all applicable laws, statutes, polices, rules, and regulations. As required, additional backup documentation may be required during the requisition review process. No requisition will be authorized without first determining if sufficient funds are budgeted. It is the responsibility of the budget manager to ensure funds are available for purchases.

## K. Purchase Order

A purchase order, signed by the Agency Procurement Official, **must** be obtained prior to the commitment of funds for the acquisition of any services or commodities. Employees desiring to obtain a purchase order must first complete and submit a requisition. Purchase orders **shall not** be issued "after the fact". All purchases require a purchase order with an authorized signature before they can be issued to a supplier. If a purchase is made without proper approvals the requestor will be issued a Non-compliance form and will be required to attach this to the Supplier Invoice Request in Workday. In the case of an infraction, employees can be held personally responsible for any financial obligation incurred. Infractions will be reviewed on a case by case basis. In the event an employee receives three (3) Non-compliance forms the employees' non-compliances will be subject to administrative review. After purchase order approval, requestors will receive a signed copy of the purchase order. Requestors will be responsible for ensuring the supplier receives a copy of the purchase order for their request.

## L. Receiving

Upon receipt of commodities, or services, requestors are responsible for marking all items, or services, as received. Marking requisitions as received generates a receiving report for Accounts Payable. Requestors should only mark items received which they know have been delivered. All invoices should be sent to accountspayable@uaptc.edu.

**M. General**

a. The Office of Procurement is not authorized to make purchases for any individual or non-College employee.

b. All expenditures must be within approved budget allocations except for those expenditures covered by special funding such as general improvement fund.

c. All expenditures for "official functions" must be approved in advance by the Chancellor or their designee on the official functions request form along with an approved purchase order or Internal Service Delivery.

**N. Document Retention**

Written determinations and findings related to procurement of contracts required by Arkansas Code 19-11-214 shall be retained in an official contract file by the Office of State Procurement or by the state agency administering the contract for a period of five (5) years. This includes all documentation such as request for proposals, request for qualifications, competitive bids, and purchase orders that lead to a contract including leases and rentals. Contract files must be retained for five (5) years after all contract renewals (if any) have expired.

| REQUIRED APPROVALS | NAME/SIGNATURE | DATE |
|---|---|---|
| Originator(s) Name(s) | UA-PTC Policy Review | 12/1/2024 |
| Presented by | Amanda Kennedy, Director of Procurement | 12/1/2024 |
| Ratified by | College Council | 12/13/2024 |
| Recommended by Chancellor (Signature) |  | 1/30/25 |
| UA Policy Alignment | UA Board Policy 365.1 | |