



I. Purpose and Scope

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 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.

II. Responsible Area

The Chancellor and the Chief Financial Officer, or their designee(s), are the only authorized employees to obligate funds of the College. The Chief Financial Officer supervises the Agency Procurement Official. Under state guidelines, a state agency or institution may have only one agency procurement official who is appointed by the Chancellor and whose appointment is reported to the Director of State Procurement. The University of Arkansas Community College at Batesville Procurement Official will be the Procurement Manager.

III. Definitions

Equipment

Equipment as defined for inventory purposes is "all tangible property with a total unit cost of \$5,000 or more and has a normal usage of two (2) or more years. The dollar value designation of equipment is for formal inventory purposes but does not in any way relieve the departments of accountability for all state property under their control regardless of the dollar amount. Therefore, it is recommended that pilferage type items such as hand tools, clothing, cameras, etc. continue to be maintained on inventory to prevent losses and maintain proper accountability.

With a few exceptions, all purchases exceeding \$20,000 in total cost, including freight charges, but excluding sales tax, are subject to bid procedures that are to be performed by the Procurement Office. Purchases totaling more than \$20,000, but not more than \$75,000 will be awarded by use of Competitive Bid procedures. Competitive bidding is a method of procurement which requires obtaining bids by: (a) direct mail request, (b) fax, or (c) telephone prospective bidders and obtaining set prices of each item.

Purchases totaling more than \$75,000 require Formal Competitive Sealed Bid procedures by the Procurement Department. This procedure requires a newspaper advertisement and/or posting on the procurement webpage and takes a minimum of five (5) days for bid opening/award.

The individual making the request is responsible for furnishing a detailed description for each item to be purchased and the names and addresses of any specific vendor(s) to whom they would like the bids submitted. The Procurement Office will add to the list the names of vendors who have requested the opportunity to bid on that type of item or service.

There are a few circumstances and items for which the law provides an exception to all or part of the bid requirements. Certain purchases which may be authorized by the Procurement Official without bid procedures are as follow:

Exempt Commodities and Services means:

1. Advertising in newspapers, periodicals, and related publications, television, radio, billboards, and electronic media;
2. Commodities procured for resale in cafeterias, commissaries, bookstores, gift shops, canteens and other similar establishments. However, such commodities procured shall not be sold or transferred to any agency with the intent of circumventing applicable procurement procedures;
3. Contracts awarded by agencies for the construction of buildings and facilities and for major repairs. These contract exemptions shall not extend to the procurement of any commodities not otherwise exempt, which are to be furnished by the agency under any such contract;
4. Contracts awarded by the Arkansas State Highway Transportation Department
5. Farm products procured or sold by a state agency having an agency purchasing official. The current trade customs with respect to the procurement or sale of cotton, cotton seed, and rice and other farm products shall be followed when it is necessary to do so in order to obtain the best price for the commodities procured or sold;
6. Fees including medical fees and physician fees;
7. Foster care maintenance services;
8. Freight and storage charges and demurrage;
9. Licenses required prior to performance of services;



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10. Livestock procured by an agency having an official experienced in selection and procurement of livestock. Such procurement will be reported to the State Purchasing Director giving details for the purchase;
11. Livestock procured for breeding, research, experiment purposes;
12. Maintenance of office machines and technical equipment;
13. Membership in professional, trade, and other similar associations;
14. Perishable foodstuffs for immediate use or processing;
15. Postage;
16. Published books, manuals, maps, periodicals, films, technical pamphlets and copyrighted education aids for use in libraries and for other informational or instructional purposes, in instances in which other applicable laws do not provide a restrictive means for acquisition of them;
17. Service of some visiting speakers, lecturers, and performing artists;
18. Taxes;
19. Travel expense such as room and board and transportation charges;
20. Utilities services or equipment which is defined, recognized, and regulated by the Arkansas Public Service Commission as a monopoly offering;
21. Works of art for museum and public display;
22. Capital improvements valued at less than twenty thousand dollars (\$20,000), subject to minimum standards and criteria for the Arkansas Building Authority; At least, three bids may be required.
23. Services related to workforce development, incumbent workforce training or specialized business or industry training.
24. The following commodities and services relating to proprietary software after the initial procurement: technical support incidental to supporting the continuous operation of proprietary software; renewals; additional copies; and license upgrades.
25. Repair services for hidden or unknown damages to machinery already purchased.

Exempt commodities and services do not exclude the approval of a requisition prior to the acquisition of such commodities or services.

1. Emergency procurement for the acquisition of commodities which, if not immediately initiated, will endanger human life, health, University property, or functional capability of the University. All emergency procurement shall be approved in advance, wherever possible, by the Procurement Manager. When the emergency procurement is estimated to exceed \$20,000 in cost, a minimum of three (3) competitive bids, whenever possible, must be obtained.
2. Commodities obtained solely from a Federal Government Agency.
3. Items under purchasing contracts. These items cannot be purchased from a source outside the University other than the contract holder.

IV. Procedure

Purchase Order

A requisition must be entered by a budget manager, or their designee, into the College financial system to request the purchase of needed supplies, equipment, and services. All requisitions must be approved by the budget manager. The Agency Procurement Official creates a purchase order which is sent to the vendor. All purchase orders are approved and signed by the APO.

Purchase orders will not be issued "after the fact" if proper approval has not been first obtained, and the employee will be personally responsible for the financial obligation. No requisition or purchase order should be authorized without first determining if sufficient budgetary unit funds are available.

The steps in ordering are as follows:

1. Complete an online requisition of the item(s) being purchased. Include a known source if you have one, a detailed description including a brand name, model number if possible, and approximate price. Include the name of the person to contact for questions.
2. When all approvals have been met, procurement will proceed with the purchase of the item(s).
3. A purchase order will be issued after procurement procedures are followed (bids, if necessary).



4. Purchase order will be faxed, mailed or emailed to vendor.
5. Departmental copy of purchase orders can be obtained from Workday

P-Card Purchases

Each UACCB cardholder reconciles their transactions by validating them through Workday and attaching the required documentation to each validation. These transactions will be approved by the correct supervisor in Workday and go to the P-Card Coordinator for final approval. When all transactions have been approved, the Accounts Payable Department will receive an approved statement from Procurement to make the payment to Bank of America through Workday.

The Procurement Card is a Mastercard credit card issued by Bank of America. The Procurement Card is a fast, flexible purchasing tool which provides an extremely efficient and effective method for purchasing and paying for supplies with a total cost of \$500.00 or less, per *individual transaction*, with a maximum monthly limit that will be determined on an individual basis. When a P-Card purchase exceeds the "maximum limit," the appropriate vice chancellor has full authority to approve the exceeding maximum limit. No additional approval is required. Prior to the reconciliation of the P-Card account (currently the 15th of each month), the vice chancellor must provide in writing in Workday to the Agency Procurement Official, a brief rationale for the exception to the maximum limit.

The P-Card is to be used only for official business purchases for The University of Arkansas Community College at Batesville and can only be issued to an employee of the State of Arkansas. Part-time employees are awarded P-Cards on a case-by-case basis.

The issuance of a P-Card represents the trust bestowed by the College to protect its assets and integrity. The holder of the P-Card is responsible for oversight, review, and approval, and provides a key point of control to maintain appropriate spending activities to protect college funds.

The Procurement Card enables the purchase of non-restricted commodities, by telephone, online, or in person, directly from the vendors. It eliminates the need for issuing low dollar purchase orders and many blanket purchase orders.

The Procurement Card will be issued in the individual cardholder's name with the wording "U of A Community College" clearly indicated on the card. The basic P-Card transaction consists of the following steps:

1. Cardholder enters a business and selects the item(s) needed, charges it on the P-Card, signs a sales/charge slip and takes receipt of the merchandise.
2. Merchant submits the transaction to Mastercard and in-turn they submit it to Bank of America for payment (merchant normally will receive their payment within three working days of the original transaction).
3. Bank of America will download each transaction into Workday for the cardholder to validate. On the 16th of each month a statement for all charges made by the various UACCB cardholders for the proceeding 30 days can be obtained through Global Card Access.
4. Each UACCB cardholder reconciles their transactions by validating them through Workday and attaching the required documentation to each validation. These transactions will be approved by the appropriate supervisor in Workday and go to the P-Card Coordinator for final approval. When all transactions have been approved, the Accounts Payable Department will receive an approved statement from Procurement to make the payment to Bank of America through Workday.

The Agency Procurement Official (APO) is responsible for reconciliation of active cardholder accounts between Bank of America Works and Workday. Reconciliation will occur at least once per calendar month with discrepancies remediated immediately, to include closing Workday accounts that are not in Bank of America Works. The employee ID field in Bank of America Works must match the employee ID field in Workday.

For further information, please contact the Purchasing Card Coordinator.

V. Related Information **State Laws and Regulations**



All State laws and resulting regulations apply to the College, and, therefore, procedures for procuring needed services, supplies, and equipment must be in conformity. Bidding requirements vary by the total amount of the purchase and type of procurement.

Office Supplies

The constitution of the State of Arkansas specifically mandates that all office supplies including printing shall be bid or purchased from a State contract. Because of this mandate, the College receives a considerable discount on needed items. Employees should plan for anticipated needs.

State Purchasing Contracted Items

State contracts are issued by the Arkansas Department of Transportation and Shared Services State Procurement Office in Little Rock, AR through the bidding process. All current state contracted items can be found at <https://www.transform.ar.gov/procurement/vendors/state-contracts/>. Commodities may be added to or deleted from this list at any time. These items must be purchased only from the contract source if the contract is mandatory.

Printing

Printing is defined as printers ink on paper. All printing, regardless of cost, must be procured through bid procedures. A requisition with attached copy material should be sent to the Procurement Manager far in advance of need to allow time for the bidding process. Contact the Procurement Department for the requirements regarding copy material.

Surplus Property

Departments may procure needed commodities available at the State of Arkansas Marketing and Redistribution (M&R) located at 6620 Young Road in Little Rock and at the Federal Surplus Property Center located at 8700 Remount Road in North Little Rock. Departments sending individuals to shop at a surplus property agency must be listed on an "approval" listing. If any items are obtained, a requisition should be completed in Workday. The receipt should be submitted in Workday with the requisition.

Central Receiving/Receiving Freight

Products ordered must be picked up or delivered to an authorized University address only. All incoming and outgoing freight (with a few exceptions) is handled through central receiving located in the maintenance building. The receiving department is to immediately inspect all incoming shipments for damage and if damage is apparent, the freight bill will be noted prior to their signing the bill. Upon receipt of delivery of the freight, the department should again inspect the package for any damages, dents, scratches, punctures, or damage of any nature to the carton or crating. It then should be noted on the receipt copy. Concealed damage that is not known until the delivery crew has left must receive prompt attention because a claim must be filed on such damage with 15 days of delivery. Departments must immediately call the Procurement Manager on all concealed freight damages so the freight company can be notified of the problem and inspection of the damage(s) are conducted.

Sole Source Purchasing

In a few cases, a purchase must be sole sourced. In these instances, a sole source justification form must be completed and attached to the requisition.

Final decisions on true "Sole Sources" will be made by the Agency Procurement Official after reviewing the justification and making inquiries of the manufacturer.

Official Functions

Expenditures for "official functions" (special occasions, meeting, awards, etc.) are allowed as departmental expense only under the following conditions:

1. When the item or event clearly conforms to one of the categories below:
 - a. The proper process is followed; and
 - b. The necessary approvals are obtained.

Before the event is scheduled, the initiating party must prepare an Official Functions Form detailing:

- Date and time of activity
- Description of activity (including a business-related agenda)



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- Benefits to the College
- Projected cost
- Department cost center
- Brief description of the items to be purchased.
- All approvals must be obtained on the form before a purchase requisition will be approved.

Official functions that comprehensively support the mission of the institution shall be charged to the proper account. Federal and State Grant programs, Community Service, Workforce Development, and most functions associated with advisory group meetings shall be charged to the respective departmental supply budget. In some cases, expenditures to other individual departmental supply budgets may be authorized.

Expenditures for "official functions" (special occasions, meetings, awards, etc.) are allowed as departmental expense only under the following conditions:

1. Official institutional (in-house) Committees and Advisory Groups Working luncheons and dinners for restricted number of staff members, internal committees and advisory groups who are required to attend essential meetings during a meal period outside of normal duty hours.
2. Official External Committees Advisory Groups and Guest: Meals for unpaid educational advisory groups for area business, industry and the private sector, and appropriate staff members who are required to attend evening advisory meetings.
3. Meals for state officials, representatives of accrediting agencies, official guests of the College, and appropriate staff members when required to attend these functions.
4. Meals, receptions, and other expenses (plaques, certificate, pins, other mementos) related to events recognizing donors, volunteers, and others to whom the College is indebted. Expenses related to recognition events for outstanding students and student groups.
5. Graduation receptions for all attending the ceremonies and expense for official graduation dinner including Board of Trustees, selected staff and students, official and special guests of the College.
6. Expenses for special honors ceremonies, e.g., allied health graduate pinning ceremonies, etc.
7. Faculty and Staff Awards: Meals in conjunction with semiannual orientation sessions for faculty and staff; meals for special events for employees and official guests when attendance is mandatory; expenses for selected staff to represent the College at educational related events with the community.
8. Students Functions: Refreshments, snacks and other minor expenses for "College Day" guests and other groups of prospective students or students visiting the campus for tours, special educational events, registrations, or student activities; refreshments and other expenses for special meetings of student organizations.
9. Official Board Events: Meals served in conjunction with the regular meetings and committee meetings of the Board of Trustee, to include board members, selected College officials and official guests; luncheon and/or dinner official functions attended by the board member(s) and College officials(s).
10. Employment Interviews: Meals and other expenses for prospective new employees from out of town; and refreshments for selected staff during the interview process.

In no case will official functions expenditures be permitted for:

1. Expenses for individuals related to membership to local clubs, social or community organizations unless approved by the Chancellor as necessary in fulfilling the College's mission.
2. Dues for individuals to professional organizations unless the membership fulfills a requirement of the applicable position.
3. Christmas cards or other similar printed greetings to institutional constituents.
4. Meals or expenses for groups or visitors to the campus not sanctioned by the institution or in any way related to institutional business.
5. Expenses associated with birthdays, etc., for institutional employees.



Promotional Items

Act 823 of 1993 allows the College to request the Chief Fiscal Officer of the state to establish a special appropriation line item to be used for the acquisition of promotional items. The Board of Trustees must approve the request prior to its submission to the Chief Fiscal Officer of the state. All promotional items for the College will be purchased in accordance with this act.

Petty Cash

For emergency items which are not listed on statewide purchasing contracts and if the total cost of the purchase is less than \$25, the purchase can be made by the employee and later reimbursed through the Petty Cash Fund housed in the Business Office. Prior approval of the purchase must be granted if circumstances will allow for the emergency purchase.

Receipts must be presented for reimbursement.

Consultants

When the services of a person or firm outside the College are needed and the total amount of the fees and expenses exceed \$25,000, a Professional Consultant's Service Contract must be completed through the procurement office and subsequently approved by the Chancellor or Chief Financial Officer. Certain contracts may need to be approved by Arkansas Building Authority and/or the Legislative Council. The approval process and timing are complex and often up to two (2) months is required for the final approval. For those contracts less than \$20,000, a purchase order will suffice. The guidelines for consultants' contracts change periodically; therefore, contact with the Chief Financial Officer should be made before making any plans which include the services of a consultant. Performance standards are required to be included in contracts.

1. Any major construction project requires the approval of the Board of Trustees. The Chancellor and the Chief Financial Officer shall administer progress of the work.
2. The Procurement Office is not authorized to make purchases for any individual or non-College organization.
3. All expenditures must be within approved budget allocations.

Disclosure of Benefits Received from Contract

Arkansas Act 483 of 1979, as amended, requires any individual drawing a salary from a state agency, who has or obtains any benefit from any state or UACCB contract with a business in which the employee or a member of his/her immediate family has a financial interest, will report such benefit to the Chief Financial Officer. This Act covers, in detail, ethics in public contracting and the penalty for violation of any of the provisions. People having questions pertaining to this subject, no matter how minor, should contact the Procurement Office for specific details. When suggesting a vendor on the requisition or bid list, do not list any business in which UACCB employees have a known financial interest.

In compliance with the requirements of Governor's Executive Order 98-04 and the regulations resulting from such, any Contract executed by the University of Arkansas Community College at Batesville which exceeds \$25,000 shall require the Contractor/Individual to disclose information as required. This requirement is for each individual transaction exceeding \$25,000.

Minority Purchasing Goals

In accordance with Act 698 of 1991, the University of Arkansas Community College at Batesville established a "Minority Purchasing Program" which supports the policy of the State of Arkansas to promote equal opportunity, as well as economic development in every sector. The College is committed to utilizing minority businesses in contracting to the maximum extent feasible. An annual procurement goal of fifteen percent (15%) has been established by UACCB. UACCB will, within the limits of state statutes and regulations, pursue the award of a fair share of all contracts with minority businesses and will encourage and assist minority businesses in the methods of doing business with the College. The UACCB Procurement Department maintains a listing of all known minority vendors. When UACCB obtains goods or services using the "competitive bid" process, at least one of the three or more bids will be solicited from a minority business if a minority business is identified, which sells the type of commodity or service being procured.



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VI. Revision History

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