

**Mississippi Valley State University  
Policies & Procedures for  
Procurement Commodities &  
Equipment**



Office of Purchasing and Procurement

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## **Purpose**

The purpose of this document is to provide general information to all entities of the processes and procedures associated with all purchases for commodities and equipment at Mississippi Valley State University (MVSU).

## **General Information**

MVSU is regulated by the Office of Purchasing Travel and Fleet Management, Mississippi Information Technology System and the Institutions of Higher Learning as per MS Code of 1972 Annotated, Section 31 Chapter 7.

Procurement is the process of buying, purchasing, renting, leasing or otherwise acquiring any supplies, services or construction. It also includes all functions that pertain to the obtaining of any supply, service or construction, including description of requirements, selection and solicitation of sources, preparation and award of a contract and all phases of contract administration using University funds.

A requisition is a document used to initiate the procurement of supplies and services utilizing approved University purchase orders. Requisitions are not purchase orders and shall not be used or represented as such.

“Split transaction” is when any transaction prohibited by law or University Regulation when an individual knowingly or intentionally divides procurement with the intent to qualify as one or more small purchases; if, before dividing the procurement, it would not have qualified as a small purchase.

Purchase orders must be processed before commodities and equipment can be obtained.

## **Commodities and Equipments (Less than \$5,000)**

When requisitioning for commodities and equipments less than \$5,000 the following procedures should be followed to obtain a Purchase Order. Although it is encouraged to obtain two (2) quotes, they are not required. If quotes are obtained, they must be on official letterhead which should include:

- Name of Company
- Address
- City, State, Zip Code
- Telephone number
- E-mail address

Quotes may be forwarded to the Purchasing Office via hand delivery, electronically, or attached to the contract. If the quotes are hand delivered they must be signed by the vendor. The vendor's signature is not required if the quotes are sent electronically. All awards are awarded to the vendor with the lowest competitive comparable quotes. will be awarded to the vendor after full execution of the contract has been met. If the vendors are new to the university, the requesting department should refer to the *Commodities and Equipment (\$5,000-\$75,000)* section of this document for the required guidelines and forms needed.

After the Purchase Order has been processed and issued, the area department head is responsible for making sure the commodities and or equipments have been received. In order for payment to the vendor to be made, the receiving report should be also signed by the department head. The department will obtain their receiving reports from the Property & Accountability Department. Signing this form verifies that all commodities and equipment have been received by the department. The receiving report is generated by the purchasing office upon request from the Property & Accountability Department.

## **Commodities and Equipment (Over 5,000 - \$75,000)**

When requisitioning for commodities and equipments over \$5,000 up to \$75,000- the following procedures should be followed in order to obtain a Purchase Order.

- All purchases for commodities and equipment over \$5,000 require two (2) comparable quotes/bids
- Quotes must be on official letterhead (refer to *Commodities and Equipment (Less than \$5,000)* section of this document for the required guidelines and forms needed.

If the vendor is new to the university the requesting department should present the following forms to new vendors for completion. These forms are required from vendors wishing to provide commodities and equipment to MVSU.

- [New Vendor Application](#)
- [W-9](#)
- [Federal Debarment Form](#)
- [Conflict of Interest Form](#)

All completed New Vendor Applications and W-9 forms should be forwarded to the Purchasing Office for input into the Banner System. The Conflict of Interest and Federal Debarment forms will be received, reviewed, signed, and filed in the Office of Purchasing. In the event additional information is needed the Purchasing Office will contact the requesting department.

## **Commodities and Equipment ( \$75,000 and above)**

Commodities and Equipment \$75,000 and above are required to follow the formal bid process; however if the commodities/equipment are on State Contract the formal bidding is not required. The formal bidding process includes the following procedures.

- The Area Vice President should forward all specifications for the project which should include details of commodities or equipment to be bided out, etc. to the Office of Purchasing.
- The Office of Purchasing will secure dates for the advertisement and bid opening date and advertise the specifications for the project in the Clarion Ledger newspaper for two (2) consecutive weeks
- The Office of Purchasing will download the advertising documents into the MAGIC Portal as required by the Department of Finance and Administration (DFA).
- The Office of Purchasing will post the bid packets for the project into the MAGIC Portal and on the Office of Purchasing website under current bids at [www.mvsu.edu/purchasing](http://www.mvsu.edu/purchasing).
- The Office of Purchasing will receive bid responses and open the bid responses received on the opening date that is specified in the advertisement document.

- Compile bid results and present the lowest bid to the requester/end users that are attending the bid opening.
- The Office of Purchasing will enter all documents received into the MAGIC Portal for a P1 approval
- The Office of Purchasing will notify the requester/end user of the P1 approval/rejection
- Submit award and notifications to participating bidders
- The requesting department head will enter an on-line requisition into the Banner System for commodities. If the requisition is for computers or IT related equipment, the requester is required to utilize a paper requisition. (Example: Two way radios, computers and telecommunications).
- Bidding processes for commodities and equipment should begin at least six months in advance to avoid lengthy wait time for IHL Board approvals.

Purchase requisitions represent the initial step in the purchasing process. They are submitted to the accounting section of the Business and Finance Office by the department heads and must be approved by the following:

- Department Chair/Project Director
- Area Vice President (refer to Approval Limit Schedule)
- Information Technology (if applicable)
- Office of Sponsored Programs/Title III/Private Grants (if applicable)
- Budget Officer
- Vice President for Business & Finance (refer to Approval Limit Schedule)
- President, (refer to Approval Limit Schedule)

On-line requisitions must flow through the following queue levels for approvals:

Fund 10/20

- 10 Requestor
- 20 Budget Accountant for Fund 10
- 30 Director of Accounting
- 40 Purchasing
- 50 Department Head
- 60 Vice President for Business and Finance
- 70 President

Fund 30

- 10 Requestor
- 20 Grant Compliance
- 30 Budget Accountant
- 40 Director of Accounting
- 50 Purchasing
- 60 Department Head

- 70 Vice President for Business and Finance
- 80 President

The following forms are related to the flow of queue levels.

- [Banner Directional Flow Chart](#)- used to set up the approval queue levels for each department
- [Individual Banner Org. Access and Removal Form](#) – used to request access to the Banner Organization number or budget number.

### **IHL Board Approval**

All purchases for commodities and equipment over \$1,000,000 require IHL Board approval. The same procedure should be followed as indicated in the *Commodities and Equipment (\$75,000 and above)* section of these policies. These contracts should be submitted to the President's office for inclusion on the IHL Board agenda.