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**PURCHASING MANUAL**

**Updated October 4, 2013**

**FOREWORD**

The Roane State Community College Purchasing Manual is intended primarily for college staff as a reference for purchasing related issues. Much of the guidance contained herein is based on Tennessee Board of Regents Policy and the laws of the State of Tennessee. In the event that any guidance contained herein should conflict with Tennessee Board of Regents Policies and Guidelines, Tennessee State Law, or Federal Law, then the applicable Policies, Guidelines or Laws are intended to take precedence.

Further information, links, and forms may be found on the Purchasing website at the following link.

<http://www.roanestate.edu/?6798-Purchasing-Department>

We hope that you find the information contained herein to be helpful. Please feel free to contact us at your convenience with any questions, comments, or concerns at 865 882-4587

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**I. INTRODUCTION**

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**I. INTRODUCTION**

**1.1 GENERAL STATEMENTS**

1. The Purchasing Department is an integral part of Roane State Community College and Reports to the Vice-President for Financial Services. The mission of the Purchasing Department is to facilitate the procurement of goods and services, manage surplus property, and provide shipping and receiving services necessary to achieve the goals of Roane State Community College in an effective and efficient manner in accordance with TBR Policy and applicable State Laws. The Purchasing Department values ethical practices, professional conduct, quality and friendly service, and timely processing of transactions and services.
2. The Roane State Purchasing Manual is presented to give administrative personnel, support staff and faculty a standard, official and written references document covering purchasing policies and procedures. Forms and other helpful information may be found on the RSCC Purchasing website at the following link.

<http://www.roanestate.edu/?6798-Purchasing-Department>

Other materials for employees may be found in the SciQuest system.

C. The manual which serves as a reference guide covering various purchasing policies includes detailed instructions for preparing relevant purchasing documents.

D. The manual also defines special purchasing situations where certain funding source requirements must be applied.

E. The table of contents is helpful for locating specific policy or procedure sections. Sample documents are also provided in the back of the manual to supplement the principal information presented.

F. The policies and procedures contained herein will be reviewed and revised on a continual basis. Revised pages should be inserted and superseded pages discarded from the manual. If clarification of any part in the manual is needed, contact the Purchasing Department, extension 4587.

G. In the event that any policy or procedure herein conflicts with applicable TBR Policy, State Law, or Federal Law, the applicable TBR Policy, State Law, or Federal Law shall take precedence.

**1.2 GENERAL RESPONSIBILITIES**

As a component of the State University and Community College System, it is the responsibility of the Purchasing Department to be cognizant of all policies and regulations set forth by the Tennessee Board of Regents and the Tennessee Code Annotated, and to comply fully with these directives. It is the responsibility of each administrator, support staff and faculty member to adhere to these policies and procedures as enumerated in this manual.

**1.3 CODE OF ETHICS**

TENNESSEE BOARD OF REGENTS
CODE OF ETHICS IN PROCUREMENT AND CONTRACTING

The code of ethics was developed by the TBR Council of Buyers, approved by the Chancellor, and shall be applicable to all employees in the Tennessee Board of Regents System who are primarily responsible for the purchase of goods or services for any institution or technology center in the System.

1. Statement of Policy

Employees must discharge their duties and responsibilities fairly and impartially. They also should maintain a standard of conduct that will inspire public confidence in the integrity of the institutions and technology centers.

2. General Standards of Ethical Conduct

(a) Any attempt to realize personal gain through public employment, inconsistent with the responsible discharge of that public employment, is a breach of public trust.
(b) Employees shall base all purchases on the principle of competitive bidding consistent with policies of the Board and the institution or technology centers.
(c) Employees shall grant all competitive bidders equal consideration, regard each transaction on its own merits, and foster and promote fair, ethical and legal trade practices.
(d) Employees shall avoid misrepresentation and sharp practices, and demand honesty in sales representations whether offered through the medium of a verbal or written statement, an advertisement, or a sample of a product.
(e) Employees shall be receptive to competent counsel from colleagues, and be willing to submit any major controversy through the appropriate appeals process.
(f) Employees shall accord prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.
(g) Employees shall not use without consent the original designs developed by a vendor for competitive purposes.

3. Conflict of Interest

It shall be a breach of ethical standards for any employee, in the performance of his or her official duties, to participate directly or indirectly in any proceeding or application, request for ruling or other determination, claim or controversy, or other particular matter pertaining to any contract, or subcontract, and any solicitation or proposal thereof, in which to his or her knowledge:

(a) he or she or any member of his or her immediate family has a substantial financial interest; or
(b) a business or organization in which he or she or any member of his or her immediate family has a substantial financial interest as an officer, director, trustee, partner or employee, is a party; or
(c) any other person, business, or organization with whom he or she or a member of his or her immediate family is negotiating or has an agreement concerning prospective employment is a party.

The determination of whether a substantial financial interest exists shall be based upon the criteria identified in TBR Policy No. 1:02:03:10, Conflict of Interest.

Direct or indirect participation shall include but not be limited to involvement through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or purchase standard, rendering of advice, investigation, auditing or in any other advisory capacity.

4. Gratuities

It shall be a breach of ethical standards for any employee or former employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment, in connection with any decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or purchase standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling or other determination, claim or controversy, or other particular matter, pertaining to any contract or subcontract and any solicitation or proposal thereof.

5. Contemporaneous Employment Prohibited

It shall be a breach of ethical standards for any employee who is involved in procurementto become or be, while such an employee, the employee of any party contracting with the particular governmental body by which the employee is employed.

**II. ROANE STATE PROCUREMENT SYSTEM**

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**ROANE STATE PROCUREMENT STYSTEM**

**GENERAL BENEFITS 2.1**

A formal procurement system offers benefits, which include:

1. The assistance experienced personnel can bring to a purchase; e.g., experience in obtaining bids, knowledge of existing contracts, vendor and pricing research, awareness of new product lines, ability to negotiate prices, and general advice to departments regarding prospective purchases.

2. The ability to coordinate/combine similar purchases by different departments and thereby obtains better prices due to quantity buying.

3. The expertise and assistance for contract negotiations, bidding, current price information, expediting, and other general buying requirements.

4. The monitoring checkpoint for compliance with government regulations on the use of federal and state funds.

The College is obligated by federal and state regulations to maintain a formal procurement system. Purchasing files are subject to audit by internal, state and federal agencies and must include proper documentation; i.e., purchase orders, contract negotiations, bid awards, sole source/proprietary purchase justifications, etc. The purchase order and related documentation is the key document in establishing and keeping a detailed audit trail of expenditures for goods and services.

**OBJECTIVES AND RESPONSIBILITIES 2.2**

The Purchasing Department functions as a service division responsible for the provision of the most economical, efficient and effective procurement of required materials or services. To complete this objective the following services are offered:

Obtain the highest quality in materials and/or services at maximum value for every dollar spent.

Maintain reference files of catalogs and literature, gather information on new products, and study operational procedures, which might be applicable to the needs of this institution. (It is permissible for department heads to solicit such material independently, providing the communication is restricted to a request for material information and does not commit Roane State in any way.)

Assure adequate sources of supply, and seek new sources to provide increased availability and quality at more advantageous prices.

Maintain updated vendor files with pertinent information on quality of performance, materials and services available.

Expedite delivery of goods, follow up on delinquent orders and, when necessary, take action on damaged or incorrect shipments.

Provide assistance and information on products or services by description, suitability, cost, quality, standardization and substitution when needed.

Assist in securing effective material utilization by reassignment of surplus items, replacement of obsolete or worn out items, property transfer, trade-in, or disposal; always acting in the best interest of the College.

Maintain liaison with the vendors who service our area.

Fulfill any other responsibility connected with material and service procurement, central receiving and shipping functions for the College.

**DEPARTMENTAL RESPONSIBILITIES 2.3**

1. Deans, directors and department heads are responsible for assuring that only essential materials, equipment and services are requisitioned by their departments, and that funds are authorized and available for the purchase.

2. Department heads should plan ahead for necessary items and supplies to allow adequate time for all phases of the purchase procedure to be completed. Most “emergency purchases” show inadequate planning, is generally not economical, and should be held to an absolute minimum.

3. Faculty and staff are responsible for keeping abreast of their respective needs and time schedules, and should prepare requisitions allowing sufficient time for the approval process, the bidding process, if necessary, the subsequent purchase and delivery. This is imperative when a critical deadline is involved to ensure receipt of goods or services prior to the date of absolute need. Supervisors should routinely review the Banner approval screens for any documents that may require approval.

**AUTHORIZED PURCHASES 2.4**

**NO ADMINISTRATOR, FACULTY OR STAFF MEMBER HAS THE AUTHORITY TO COMMIT THE COLLEGE OR RELATED COLLEGE ORGANIZATIONS TO ANY PURCHASE OR CONTRACT FOR MATERIALS, SUPPLIES, EQUIPMENT OR SERVICES, OR TAKE ANY OTHER ACTION WHICH COULD BE CONSTRUED AS FINANCIALLY BINDING TO ROANE STATE WITHOUT APPROPRIATE APPROVAL BY THE PRESIDENT AND/OR THE VICE PRESIDENT FOR FINANCIAL SERVICES, EXCEPT AS SPECIFIED IN THIS MANUAL. SHOULD AN INSTANCE OCCUR WHERE FUNDS ARE OBLIGATED PRIOR TO OBTAINING A PROPERLY APPROVED PURCHASE ORDER, A WRITTEN EXPLANATION MUST BE SUBMITTED TO THE DIRECTOR OF PURCHASING.**

All purchases must have approvals as defined by the College’s electronic purchasing system prior to the commitment or purchase. This is done through the submission of an electronic requisition for purchase using either the Self Service or Internet Native Banner electronic forms as appropriate.

This in no way prohibits an employee from contacting vendors to obtain product and pricing information to assist in decision-making. However, the **contact should be limited to a request for information only. Any employee making a commitment not authorized by the College may be held responsible for the commitment.**

Authorized purchases must adhere to applicable state and/or external funding source requirements for bidding, documentation and reporting.

**2.5 PROHIBITIONS IN PURCHASING**

NO PERSONAL ITEMS shall be purchased through the College or from college funds, for or by any employee of the College or any relative of any employee.

Roane State is prohibited from making purchases for resale to employees, or permitting personal purchases using college facilities, property or funds, except through established outlets providing materials or services to the public, i.e., the college bookstore or food service operation.

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**PROCUREMENT PROCEDURES**

Materials and services may be secured from varied sources by formal or informal means. Procurement may be initiated through commercial or College sources by means of purchase, reassignment, contract or lease.

Roane State policy is to obtain all supplies, equipment and services at the lowest cost to the college consistent with quantity, quality and availability of the items at the time of purchase, from qualified vendors.

**3.1 PROCUREMENT REGULATIONS**

I. Principle of Competitive Bidding

All purchases shall be based upon the principle of competitive bidding except as herein provided.  Required documentation related to competitive bidding shall be routed through the institution’s procurement/contract office, prior to the purchase, to ensure compliance with applicable policies and guidelines. Whenever possible, all specifications for materials, supplies, equipment and services shall be worded or designed so as to permit open and competitive bidding for the supplying of the article, commodities or services to which they apply.  For all RFPs and RFQs exceeding $100,000, written certification from the author or committee that the specifications, to the best of their knowledge, are not proprietary shall be documented in the bid file.  It is the responsibility of the procurement officer to ensure all competitive bidding is considered fair and open in a bid process. It will be considered open and competitive bidding by utilizing one of the following procurement techniques:

A. Requests for Quotation (RFQ)/Invitation to Bid (ITB) – a competitive process soliciting bids from possible suppliers for a one-time procurement of product(s) and/or service(s).

Specifications based on brand names and product numbers - reference to brand names, trade names, model numbers or other descriptions peculiar to specific brand products is made to establish a required level of quality and functional capabilities; it is not intended to exclude other products of that level. Comparable products of other manufacturers will be considered if proof of comparability is contained in the bid. Vendors are required to notify the Chief Procurement Officer whenever specifications procedures are not perceived to be fair and open.  All suggestions or objections shall be made in writing and received by the Chief Procurement Officer at least three (3) working days prior to the bid opening.  It shall be the responsibility of the vendors, including vendors whose product is referenced, to furnish with the bid such specifications, catalog pages, brochures or other data as will provide an adequate basis for determining the quality and functional capabilities of the product offered. Failure to provide this data may be considered valid justification for rejection of a bid;

                        Specifications based on standard specifications;

                        Specifications based on qualified products list; or

                        Specifications based on catalogs, price lists, or price schedules.

 For any contract that results from an RFQ or ITB, Institutions are not permitted to change the scope of the service(s) once a contract is awarded.  (Department of General Services Purchasing Division, Agency Purchasing Procedures Manual, Revision Twelve, Approved by the Board of Standards, January 30, 2007)

B. Requests for Proposals (RFP) – a competitive process in which bids are solicited from possible suppliers, with a source or sources of supply established for a specified period of time at agreed upon unit pricing for goods and/or services.

1.     Request for Proposal – Under $50,000, sealed bid with cost and technical proposal submitted as one document (under $50,000 does not require sealed bids; can be written, telephone or electronic as provided in Section IV.B).

2.     Request for Proposal – $50,000 and over, sealed bid with separate sealed technical and cost proposals which must be submitted at the same time.  Acceptability of technical offers shall be determined by an evaluation team selected by the president or designee.  Members of the evaluation team should be adequate and appropriate to the scope and nature of the RFP. Procurement department representatives shall review the proposals to ensure procurement procedures were followed and shall offer guidance to the evaluation team, but shall not serve on the evaluation team, and shall not score technical proposals received, except in instances where the RFP is directly related to a good/service needed by the procurement department.  Any technical offers shall be evaluated based on the criteria of the RFP and other information learned during the technical evaluation process. Any technical offer submitted which contains pricing information shall be rejected. Technical offers not deemed acceptable will not proceed to the pricing phase.  Cost proposals shall not be opened if the associated technical proposal has been deemed non-responsive and is rejected by the institution.  Technical and cost proposals shall not be made public until the inspection period following the evaluation of the cost proposals; or

3.     Additional Procedures for Multi-step Sealed Bidding – the use of a multi-step sealed bidding process is required in the bidding process for the procurement of products and/or services when it is not practical to prepare initially definitive specifications.

Multi-step sealed bidding is a two-phase process consisting of a technical first phase composed of one or more steps in which proposers submit unpriced technical offers to be evaluated and a second phase in which those proposers whose technical offers are determined to be responsive during the first phase have their price proposals considered.

For any contract that results from an RFP, Institutions are not permitted to change the scope of the service(s) once a contract is awarded.  (Department of General Services Purchasing Division, Agency Purchasing Procedures Manual, Revision Twelve, Approved by the Board of Standards, January 30, 2007)

C. Procurement Under the Authority of Another Entity’s Bid Process:

Purchase of materials or services, for which any TBR or UT institution or the State of Tennessee Department of General Services, Purchasing Division, has awarded a contract to a vendor through the competitive bidding process may be made without adherence to Section IV, Minimum Notice and Number of Bids, provided the vendor meets the bid specifications. Note:  the competitive bidding process of another entity (except the State Purchasing Division) must have specified that other institutions would be permitted to purchase under the bid.  This section does not preclude institutions from utilizing an SWC as a bid in accordance with the competitive bidding process outlined in Section IV, Minimum Notice and Number of Bids, if so desired.  (F&A Rule 0690-3-1-.01 (5) and Section XVII of this policy.)

D. Procurement of State Manufactured Articles and Services:

All institutions and technology centers are required to purchase items (goods) and services from other State agencies, e.g., Department of Correction, Blind Services, Tennessee Rehabilitative Initiative in Correction (TRICOR), Community Rehabilitation Agencies (CMRA) / TRUST in Tennessee, whenever such items or services are available there from and meet the desired conditions and standards. (General Services Rule 0690-3-1-.01 (7) (d).)

In addition, for personal, professional and consultant service contracts only, no competitive process is required when the contractor is a state agency (as provided in the immediately preceding paragraph), a political subdivision of the state, any other public entity in Tennessee, or an entity of the federal government.  The non-competitive negotiation process in Section XV B. of this Policy may be used for such contracts.  (F&A Rule 0620-3-3-.03).

E. Procurement Under Contracts with Group Purchasing Organizations (See Section XXI for Reporting and Documentation Requirements):

Institutions and technology centers are permitted to make purchases of goods and services under a contract with a group purchasing program as provided in TCA 49-7-127.  The statute specifically permits such purchases when the price for goods or services under a group purchasing program is lower than the price available on a state contract.  A state contract is defined in this section as a TBR institution contract, a TBR system contract, a UT contract, or a General Services contract.   Comparison pricing must have been obtained within twelve (12) months of the date of comparison.

F. Gifts:

Gifts do not require a procurement process subject to this policy.  See TBR Policy 4:01:04:00 Solicitation and Acceptance of Gifts and TBR G-030 Section 3.

For purposes of this policy, a gift to the institution shall be defined as a voluntary transfer of goods or services to the institution made gratuitously and without consideration.  Essential elements of a gift are:

(1)           Capacity of the donor of the gift,
(2)           Intention of donor to make a gift,
(3)           Completed delivery of the gift to or for the institution, and
(4)           Acceptance of the gift by the institution.

Nothing in this policy shall be construed to mean that the institution must accept any gift.

II. PROCUREMENT OF GOODS, MATERIALS AND SUPPLIES/ SERVICES

A.     Goods.  Goods, materials, and supplies (cumulatively called "goods") should be awarded to the lowest responsive and responsible\* bidder pursuant to a Request for Quotation, sometimes called an Invitation to Bid.  (A sample Request for Quotation is available at the TBR web site.)
                     \*"Responsive" means that the bid meets the requirements and criteria set forth in the Request for Quotation or Request for Proposal.  "Responsible" means that the bidder is capable of performing or is not otherwise disqualified.  In the event a bidder is not responsive and/or not responsible, then the bid is to be disqualified.

B.      Goods and Services.  Certain services or a combination of goods and services may be procured as a "good", based on a Request for Quotation rather than a Request for Proposal, if the end product is more important than the service that goes toward its production or when the vendor has little discretion in determining its actual content or form.

(1)    Examples of this type of service may include, but are not limited to:  (a) pest control; (b) security services; (c) moving and hauling; (d) refuse collections; (e) charter services; (f) printing services, and (g) maintenance services.

(2)  Mischaracterization of an item to be procured as a good or service shall not constitute an error in the procurement if the requirements of this policy are met, but it may be grounds for the institution to terminate the procurement process. For competitive procurement of goods, an Invitation to Bid (or Request for Quotation) is appropriate, and in general, a purchase order may be used to finalize the purchase.  For competitive procurement of services, a Request for Proposal is more appropriate, and a purchase order is generally not sufficient to serve as the written contract for the services. For procurement of services which will require Central Office approval, the Request for Proposal format approved by the Central Office shall be used.

C.       Services.  A contract for personal, professional, or consulting service shall be used when the vendor’s discretion or the form of the end product or service is critical to the performance. All purchases of personal, professional, and consultant services should be based, to the maximum extent practicable, on evaluation and consideration of vendor qualifications and cost. Detailed information regarding service contracts is provided in TBR Guideline G-030.  A sample Request for Proposal for service contracts is available at the TBR web site. Each institution’s RFP should contain, at a minimum, the requirements of the sample RFP provided by TBR Central Office.

A contract for consulting services hereunder which exceeds $25,000 shall not be allowed unless it is determined by the Chancellor, President, or Director, in writing that the services are in fact needed and that they cannot be satisfactorily or economically performed by a state agency.  A cover form will be required to be completed by the requisitioning department, submitted to the institution’s procurement office, certifying the need for the service(s) and that appropriate consideration has been given to the use of state resources (sample language is available through the TBR Central Office).

D.    Outsourcing.  Institutions are encouraged to determine whether some services can be delivered more economically by the private rather than the public sector.  The following process is hereby permitted and encouraged:

(1)   The state's cost of the service may be ascertained and kept confidential as part of the evaluation process.  This cost must be finally determined and provided to the Chancellor, President, or Director, as appropriate, in a sealed envelope prior to bid/proposal due date.

(2)   The service may be the subject of an RFQ/RFP, as appropriate, which approximately describes the services heretofore provided by the TBR/institution.

(3)   The RFP/RFQ may require that if the proposer’s/bidder’s price exceeds the state’s confidential cost, the proposal/bid may be rejected.

E.    Monitoring of Services. Institutions shall have a monitoring plan for all service contracts\*, including grants and grant subcontracts, to ensure the following:

(1)     that deliverables are received,

(2)     financial obligation of the institution does not exceed the contract pricing, and

(3)     services are in compliance with the terms and conditions of the contract.

\*Service contracts shall have the same meaning as provided in Section II of this policy.  Procurement of goods under this policy shall not require a monitoring plan, but shall comply with TBR and institution internal controls and audit procedures.

F.    Illegal Immigrants.   No person may enter into a contract to supply goods or services to the state or other state entities without first attesting in writing that the person will not knowingly utilize the services of illegal immigrants in the performance of the contract, and will not knowingly utilizing the services of any subcontractor who will utilize the services of illegal immigrants in the performance of the contract.  The procedures for implementing this Policy and the attestation form are provided in TBR Guideline G-030.  Language to be included in bids/proposals is included in Attachment A, Minimum General Bid Conditions

III. REQUESTS FOR QUOTATION AND REQUESTS FOR PROPOSAL

A.      Requests for Quotation and Requests for Proposal shall specify:

(1) The time and place that bids will be received and opened,
(2) Information describing the purpose of the procurement, technical requirements, bidder qualifications, and any other information considered relevant to the goods or services being acquired,
(3) the amount or number of articles or services required,
(4) For all RFPs and RFQs exceeding $100,000, in estimated expenditure or revenue, a question/answer period and/or pre-bidders’ conference, with all questions and responses forwarded to all prospective bidders,
(5) the time of delivery,
(6) the amount, if any, of any bid bond or certified checks to accompany the bid/proposal,
(7) the amount, if any, of any performance bond which may be required if the vendor is the successful bidder,
(8) a declaration of the contract terms and conditions which shall be required by the institution,
(9) a description of the factors to be considered in evaluating bids/proposals, if applicable,
(10) date bid/proposals evaluations will be available for viewing,
(11) if applicable, whether other TBR institutions and/or UT institutions may purchase from the contract, and
(12)  the period of time during which each bidder/proposer will hold its bid open and the period during which the contract awarded will be available to other institutions, if applicable.

B.         RFQs/RFPs may specify any other requirements, conditions, or information in reference to the purchase deemed necessary.

C.        RFQ/RFP files (hard-copy or electronic) shall contain, at a minimum, the following:

(1) a copy of the RFQ/RFP issued (including specifications),
(2) a list of vendors for solicitation,
(3) the date vendors were sent the RFQ/RFP,
(4) for RFPs and applicable RFQs, any pre-bid questions/responses or addendums to the RFQ/RFP,
(5) for RFPs and applicable RFQs, all documentation relating to the composition of the evaluation team and the evaluation documentation used to make the award,
(6) as applicable, any documentation that warrants a re-bid of the RFQ/RFP,
(7) any informal bid complaints and the respective responses/actions,
(8) as applicable, copies of intent to award letters, and
(9) the executed purchase order and/or contract.

IV. MINIMUM NOTICE AND NUMBER OF BIDS

The number of bids required and the notice to bidders for solicitation of bids for purchases and revenue contracts shall be as follows:

A. If the estimated amount of the purchase (or revenue) is $50,000 or more, written sealed bids must be solicited from fifteen (15) vendors or the number of vendors on the Vendors List--whichever is less and to all that request the specific RFQ/RFP. (The Chief Procurement Officer must approve the solicitation of less than 15 bids). If the annual estimated amount of the purchase is $100,000 or more, solicitations must be sent in a manner that verifies proof of delivery. An RFQ for goods must be sent at least fourteen (14) days (ten (10) days when all vendors are local vendors) before the date that the bids are scheduled to be opened.  For RFPs and applicable RFQs, (for example, those RFQs having requirements in addition to or other than the purchase of goods), a minimum of four (4) to six (6) weeks should be allowed  for vendors to adequately prepare a competitive proposal based on the method of RFP or RFQ delivery, bid specifications and pre-bidders questions/responses. Examples of types of bids which would need to allow at least six (6) weeks include, but are not limited to, banking and other financial services, bookstore and food services, custom software and or IT system services, advertising management services and any other bid for which the additional time is appropriate.  A vendor’s general or standing request for notice for all RFQs/RFPs or all RFQs/RFPs of a given type shall not suffice as a request for a specific RFQ/RFP and shall create no obligation on the institution.

B. If the estimated amount of the purchase (or revenue) is at least $5,000 but less than $25,000, written, telephone or electronic bids must be solicited from at least three (3) qualified vendors (with the exception of Section I. E. above). When telephone bids are solicited, a written record of the bidders and amounts bid shall be maintained.

V. BID WITHDRAWAL, BID REVISION, AND BID REJECTION

Before bid opening, a vendor may be permitted to withdraw a bid entirely and/or submit a substitute bid. The vendor making such a request must submit suitable identification.

After bid opening, a vendor will be permitted to withdraw a bid only where there is obvious clerical error in the bid such as a misplaced decimal point, or when enforcement of the bid would impose unconscionable hardship due to an error in the bid resulting in a quotation substantially below the other bids received. Withdrawal will be considered only upon written request from the vendor.

In cases of errors in the extension of prices in the bid, the unit price will govern.

Incorrect proposal information – If the institution determines that a proposer has provided, for consideration in a contractor selection process or in negotiations, information which the proposer knew or should have known was materially incorrect, the subject proposal may be determined non-responsive, the proposal may be rejected and the vendor may be removed from the vendor list.

A bid may not be revised after bid opening.

However, after evaluation is complete and the successful bidder/proposer selected, the institution may initiate negotiations which serve to alter the bid/proposal in a way favorable to the institution.  For example, prices may be reduced, time requirements may be revised, the bid/proposal may be revised to supply omitted contract terms, etc.  In no event shall negotiations increase the cost or amend the proposal such that the apparent successful proposer no longer offers the best proposal.

Any proposal that restricts the rights of the institution or otherwise qualifies or limits the proposal may be considered to be non-responsive, and the proposal may be rejected.

When it becomes necessary to reject all bids, the reason for such rejection must be set out in complete detail and made available to all bidders who submitted a bid.

Action to reject all bids shall be taken only for unreasonably high prices, errors in the RFQ/RFP, cessation of need, unavailability of funds, failure of all proposals to meet technical specifications, a determination that the goods/services can be more economically delivered pursuant to an agreement with another TBR institution of other state agency, or a determination that proceeding with the procurement would be detrimental to the best interests of the institution, the reason for which must be documented and approved by the Chancellor, President, or Director.

If another RFP is to be issued, all prior offers and/or proposals shall remain closed to inspection by the proposers and/or the public until the evaluation of the re-bid is complete.

VI. ACCEPTANCE OF BIDS / NO RIGHTS CREATED

Notwithstanding any provision contained herein or in any solicitation document, submission of a bid or a proposal shall not create rights, interests or claims of entitlement in any bidder or proposer, including the successful bidder or proposer.  Notwithstanding any action or agreement to the contrary, no such right, interest, or claim shall exist unless and until a purchase order has been issued or a contract is fully executed.

For RFPs and applicable RFQs, a notice of intent to award shall be sent to all proposers containing, at a minimum, the content provided by the TBR Central Office.

All bids shall be subject to rejection by the Chancellor, President, or Director. If awarded, the contract for purchase shall be awarded to the lowest qualified and responsible bidder, taking into consideration quantifiable factors including but not limited to the apparent ability of the bidder to perform the proposed contract, the conformity of the articles or services to the specifications, any discount allowed for prompt payment or for any other reason, transportation charges, and the date of delivery specified in the RFP/RFQ.

A bond for the faithful performance of any contract may be required at the discretion of the institution or technology center.

A complete written record on all procedures and justifications shall be maintained on each procurement transaction in order to provide a clear audit trail on the purchase.

Bids must be received in the specified location on or before the date and hour designated for bid opening. All bids received must be date and time stamped to show compliance with the designated opening date and time.  Late bids will not be considered in contract award.

All RFQs received shall be publicly opened and examined by a designated institutional representative at the time and place specified in the RFQ. Whenever sealed bidding is utilized, bidders shall have no less than five (5) working days after the opening before a purchase order/contract may be awarded.

 All RFQs/RFPs conforming to the RFQ/RFP specifications, together with the name of the bidders, shall be recorded.  Only after the completion of evaluation shall the complete procurement files become a matter of public record and open to public inspection.

Each bid should give the full name and business address of the bidder; if the vendor is a corporation, the name shall be stated as it is in the corporate charter. Each bid must be signed in ink by the vendor’s authorized agent.  Unsigned bids will be rejected. The person signing the bid must show his title, and if requested by the institution or technology center, must furnish satisfactory proof of his or her authority to bind his or her company in contract. Bids must be typewritten or in ink; otherwise they may not be considered.  However, institutions may conduct informal procurement electronically, and if the institution requests or permits electronic bidding, no bidder’s signature shall be required.  TCA §12-3-704.  Unless original signatures are otherwise required (e.g., easements, deeds and other real property documents), electronic procurement is permitted for formal procurements when the required rules and procedures are developed in accordance with TBR Guidelines B-095 and TCA §12-3-704, which provides that state agencies shall not require small and minority owned businesses to receive or respond to invitations to bid/request for quotations or request for proposals, or other solicitations electronically.  A purchase order, if applicable, will be issued to the firm name appearing on the bid.

When more than one item is specified in the RFQ/RFP, the institution may provide in the RFQ/RFP that the institution shall have the right to determine the low vendor(s) either on the basis of each individual item, a group of items, or the total of all items.

Alternate bids will not be considered unless specifically called for in the bid.

All material, supplies, and equipment offered and furnished must be new unless the RFQ/RFP specifically permits offers of used, remanufactured, or reconditioned items.  RFQs/RFPs which specifically permit offers of used, remanufactured, or reconditioned items shall require a warranty; however, the Chancellor, President, or Director shall have the authority to waive this requirement.

VII. PROTESTED BIDS

A. Right to Protest

(i) Any actual proposer who claims to be aggrieved in connection with a specific solicitation process may submit a protest in writing to the Chief Procurement Officer within seven (7) calendar days after he or she knows or should have known the facts giving rise to the protest.

All proposers should know and shall be deemed responsible for knowing the facts documented in the institution’s procurement files on the day the institution opens the bid files for public inspection.

Any issues raised by the protesting party after the seven (7) calendar day period shall not be considered as part of the protest.

(ii) *Signature on Protest Constitutes Certificate.* The signature of an attorney or protesting party on a request for consideration, protest, motion, or other document constitutes a certificate by the signer that the signer has read such document, that to the best of the signer’s knowledge, information, and belief formed after reasonable inquiry, it is well grounded in fact and is warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law, and that it is not interposed for any improper purpose, such as to harass, limit competition, or to cause unnecessary delay, or needless increase in the cost of the procurement or of the litigation. If a request for consideration, protest, pleading, motion, or other document is signed in violation of this subsection before or after appeal to the Chancellor, the Chancellor upon motion or upon his/her own initiative, may impose upon the person who signed it, a represented party, or both, an appropriate sanction, which may include an order to pay to the other party or parties, including the affected institution, the amount of the reasonable expenses incurred because of the filing of the protest, a petition for a stay of award, pleading, motion, or other paper, including reasonable attorneys’ fees.

(iii) Neither a protest nor a stay of award shall proceed under this section unless the protesting party posts a protest bond (See Appendix I). The protesting party shall post, with the Chief Procurement Officer of the institution, at the time of filing a notice of protest, a bond payable to the institution in the amount of five percent (5%) of the lowest cost proposal evaluated or five percent (5%) of the highest revenue proposal evaluated. Such protest bond shall be in form and substance acceptable to the institution and shall be immediately payable to the institution conditioned upon a decision by the Chancellor that:

1. A request for consideration, protest, pleading, motion, or other document is signed, before or after appeal to the Chancellor, in violation of subsection VII A. (ii);

2. The protest has been brought or pursued in bad faith; or

3. The protest does not state on its face a valid basis for protest.

(iv) The institution shall hold such protest bond for at least eleven (11) calendar days after the date of the final determination by the institution. If the protesting party appeals the determination in accordance with subdivision (vii), the institution shall hold such protest bond until instructed by the Chancellor to either keep the bond or return it to the protesting party.

(v) At the time of filing notice of a protest of a procurement in which the lowest evaluated cost proposal is less than one million dollars ($1,000,000), or in which the highest evaluated revenue proposal is less than one hundred thousand dollars ($100,000), a minority or small business protesting party may submit a written petition to the Chief Procurement Officer for exemption from the protest bond requirement of subsection VII.A.(iii). Such a petition must include clear evidence of minority or small business status. On the day of receipt, the petition shall be given (may be faxed) to the Chancellor or designee. The Chancellor has five (5) business days in which to make a determination. If an exemption from the protest bond requirement is granted, the protest shall proceed as though the bond were posted. Should the Chancellor deny an exemption from the requirement, the protesting party shall post the bond with the Chief Procurement Officer of the institution as required in subsection VII.A.(iii) within three (3) business days of the determination. For the purposes of this section, “minority business” is defined as solely owned or at least fifty-one percent (51%) owned by a person or persons who control the daily operation of such business and who is disabled (a person having a physical or mental impairment that in the written opinion of the person’s licensed physician, substantially limits one (1) or more of the major life activities of such person, including caring for oneself, and performing manual tasks, which include writing, walking, seeing, hearing, speaking, and breathing); African American (persons having origins in any of the Black racial groups of Africa); Asian American (persons having origins in any of the original peoples of the Far East, Southeast Asia and Asia, the subcontinent, or the Pacific Islands); Hispanic American (persons of Cuban, Mexican, Puerto Rican, Central or South American, or other Spanish or Portuguese origin, culture, or descent, regardless of race,); or Native American (persons having origins in any of the original peoples of North America). For purposes of this section, “small business” is defined as one which is independently owned and operated, has total gross receipts of no more than two million dollars ($2,000,000) for the most recently ended federal tax year, and employs no more than thirty (30) persons on a full-time basis.

B. Authority to Resolve Protest

(i) The Chief Procurement Officer of the institution has the authority to resolve the protest. If deemed necessary, the Chief Procurement Officer may request a meeting with the protesting party to seek clarification of the protest issues.

(ii) The final determination of the Chief Procurement Officer shall be given in writing and submitted to the protesting party.

(iii) The protesting party may request that the final determination of the Chief Procurement Officer be considered by the Chief Business Officer of the institution. The request for consideration shall be made in writing to the Chief Business Officer within seven (7) calendar days from the date of the final determination by the Chief Procurement Officer.

(iv) The Chief Business Officer has the authority to review and resolve the protest. If deemed necessary, the Chief Business Officer may request a meeting with the protesting party to seek clarification of the protest issues. The final determination of the Chief Business Officer shall be given in writing and submitted to the protesting party.

(v) The protesting party may request that the final determination of the Chief Business Officer be considered by the President or Director of the institution. The request for consideration shall be made in writing to the President or Director within seven (7) calendar days from the date of the final determination by the Chief Business Officer.

(vi) The institution shall have no longer than sixty (60) calendar days from receipt of the protest to resolve the protest.

(vii) The protesting party may request that the final determination of the President/Director be considered by the Chancellor. The request for consideration shall be made in writing to the Chancellor within seven (7) calendar days from the date of the final determination by the President/Director. The determination of the Chancellor or designee is final and shall be given in writing and submitted to the protestor.

(viii) In the event that the institution fails to acknowledge receipt of a protest within fifteen (15) days of receipt of a protest or fails to resolve the protest within sixty (60) calendar days, the protesting party may request that the Chancellor consider the protest at a meeting.

C. Stay of Award

Prior to the award of a contract, a proposer who has protested may submit to the Chief Business Officer a written petition for stay of award. Such stay shall become effective upon receipt by the Chief Business Officer. The Chief Procurement Officer shall not proceed further with the solicitation process or the award of the contract until the protest has been resolved in accordance with this section, unless the Chancellor makes a written determination that continuation of the solicitation process or the award of the contract without delay is necessary to protect substantial interests of the institution. It shall be the responsibility of the Chief Business Officer to seek such determination by the Chancellor**.**

D. Protest Subsequent to Award

The Tennessee Claims Commission has exclusive jurisdiction to determine all monetary claims against the state for the negligent deprivation of statutory rights.

E. Appeal to Chancery Court

Protests appealed to the chancery court from the Chancellor's decision shall be by common law writ of certiorari. The scope of review in the proceedings shall be limited to the record made before the Chancellor and shall involve only an inquiry into whether the Chancellor exceeded his/her jurisdiction, followed an unlawful procedure, or acted illegally, fraudulently or arbitrarily without material evidence to support his/her action.

F. Appendix I

A protest bond may be presented to the institution in form and substance compliant with the Protest Bond format attached in Appendix I. Any protest bond presented to the institution that represents a deviation from the Appendix I format shall be considered for acceptability by the institution on a case by case basis.

VIII. TIE BIDS

A. Goods - A tie bid exists when two or more bidders offer goods and/or services that meet all specifications, terms and conditions at identical prices, including cash discount offered. In such case, a tie bid will be broken by the following methods, in descending order of preference:

(1) Tennessee businesses will be given preference. Tennessee business means a business (T.C.A. § 12-4-121(c)(2):

(a)   incorporated in this state;
(b)   that has its principal place of business in this state; or
(c)   that has an established physical presence in this state.

(2) Small, minority and women-owned business will be given preference (business classifications defined in Section XII).

(3) Award item(s) to vendor who was low bidder on other item(s) being bid per the same requisition.

(4) Best delivery.

(5) By lot or coin toss (properly witnessed and documented)**.**

B. Personal, professional and consultant services - In the event that a proposal evaluation process results in two or more proposals receiving evaluation scores that tie for the rank of highest score, the institution shall request best and final cost proposals from only those proposers with scores that tie. The institution may calculate new evaluation scores for the tying proposals by adding the original technical scores to the recalculated cost scores. Should another tie result, the contract shall be awarded by coin toss.

IX. RECEIVING REPORTS

When any supplies, equipment, or materials are received by an institution or technology center, the receiving agent thereof shall maintain a record of receipt that the supplies, equipment, or materials received were equal in quality and quantity to those requisitioned.  Appropriate documentation of contract performance or specific deliverables shall be provided by the requisitioning department prior to payment for services, supplies, equipment, and materials.  Complete records on all receiving reports/documentation shall be maintained in order to provide for a clear audit trail on the receipt of all purchases.

X. VENDORS LIST

Each institution and technology center shall maintain a list of vendors which shows the types or classes of materials, supplies, equipment or services which the person, firm or corporation is willing and able to furnish to the institution or technology center.  The institution or technology center may require the person, firm or corporation to submit sufficient information to demonstrate ability to perform any future commitment prior to inclusion on the list of bidders.

XI. REMOVAL FROM VENDORS LIST

Vendors who fail to respond to a reasonable number of bids or fail to provide adequate goods and/or services shall be removed from the vendors list. Reported failure to comply with bids, awards, and/or orders becomes a part of the bidder's application file. If a qualified bidder repeatedly fails to respond to Invitations to Bid, the bidder will be removed from all commodity groups. Examples of failure to comply include but are not limited to:

Overshipments
Undershipments
Early Shipments
Late Shipments
Damaged Products
Defective Products
Shipments not in Conformance with Specifications
Unauthorized Substitutions
Billing Errors
Service Deficiencies
Failure to Ship

Other principal causes for temporary or permanent removal from the bid list are:

Unethical Practices
Misrepresentation of Merchandise

Failure of a vendor to perform satisfactorily in any of the above areas may result in a vendor's liability for damages to the institution.

XII. PURCHASES FROM SMALL/MINORITY/WOMEN OWNED BUSINESSES

All institutions, in accordance with state and federal law, shall actively promote and encourage diversity participation with small, minority, and women-owned businesses in order to obtain a fair proportion of goods and services from such businesses as further defined in Attachment C to this policy.  Information regarding small, minority, and women-owned business solicitations and purchases will be filed with the Governor’s Office of Diversity Business Enterprise and the Department of General Services which will consolidate this information into reports to the Legislature.

XIII. EMERGENCY PURCHASES

Purchases of specific materials, supplies, equipment or services may be made in the open market for immediate delivery only to meet bona fide emergencies arising from any unforeseen cause. All bona fide emergency purchases must be approved by the Chancellor, President, or Director, and a written report on the circumstances of any such emergency justifying the purchase shall be prepared and maintained. All emergency purchases shall, if practicable, be made on the basis of competitive bids.

XIV. SPECIAL PURCHASE CATEGORIES

A. Competitive Negotiation

A contract may be entered into by competitive negotiation only in cases when the institution or technology center is unable to obtain needed goods and/or services by the competitive bid process. In addition, competitive negotiation may be appropriate for personal, professional and consultant service contracts when one of the following is true:

1. public need will not permit the delay incident to the RFP process;
2. no acceptable proposals have been received after the RFP process;
3. rates payable for the services are regulated by law; or
4. as provided in IV B. of this Policy. (F&A Rule 0620-3-3-.03)

The Chancellor, President, or Director shall prescribe the procedures under which negotiation is to be conducted. These procedures shall provide for the safeguarding of the information and provide fairness to the vendors in the negotiation process; procedures shall mandate communication of the requirements of the institution, clarify best interests of the institution, and solicit bids from at least three (3) potential providers (including minority, disadvantaged and small business providers as otherwise required by TBR policy and guidelines), and require documentation of the solicitation process. In the event it appears the competitive negotiation process is to be implemented, such an action must be approved by the Chancellor, President, or Director. Once the negotiations have been concluded, a recommendation shall be made by the negotiating team to the Chancellor, President, or Director, and he or she shall approve the results prior to entering into a contract.

B. Non-competitive negotiation for sole source procurement – the negotiation of the terms of a contract with only one provider.

Personal, professional and consultant service contracts may be obtained by non-competitive negotiation when the contractor is a state agency, a political subdivision of the state, and any other public entity in Tennessee, or an entity of the federal government.  (See Section I. D. of this policy and F&A Rule 0620-3-3-.03.)

Sole source or proprietary purchases may be allowed pursuant to the following:

Sole Source Procurement - Sole source purchases are made only when items are unique and possess specific characteristics that can be filled by only one source.  The vendor must furnish a letter indicating that it is the sole source and the letter must be signed by an authorized company representative.

Proprietary Purchase - A proprietary product is one that is manufactured and marketed by a person or persons having the exclusive right to manufacture and sell the product. Marketing is generally controlled by franchises that may include competitive sales at wholesale or retail levels. When it is found that bids may be obtained from different franchises, bid invitations must be issued unless the estimated purchase is less than $10,000.

Factors to be considered in sole source and proprietary purchases include the following:

1. Whether the vendor possesses exclusive and/or predominant capabilities or the items contain a patented feature providing superior utility not obtainable from similar products.
2. Whether the product or service is unique and easily established as one of a kind.
3. Whether the program requirements can be modified so that competitive products or services may be used.
4. Whether the product is available from only one source and not merchandised through wholesalers, jobbers, and retailers.
5. Whether items must be interchangeable or compatible with in-place items.
6. Whether the cost of conversion, including but not limited to disruption, re-training, and replacement precludes bidding competitively.
7. Whether the product is to be used in an instructional setting and the intent is to provide instruction on the specific product or diversity of products.
8. For personal, professional and consultant services, whether the use of non-competitive negotiation is in the best interests of the institution.  (F&A Rule 0620-3-3-.03)
9. Other justifications as approved by the Chancellor, President, Director.

Only authorized sole source may be procured utilizing non‑competitive negotiation and a completed non-competitive justification form.

Whenever specifications are not so worded or designed to provide competitive bidding, or specify a single brand, the person responsible for the recommendation shall be required to justify the necessity for the specification in writing, and the request shall be approved by the Chancellor, President, or Director.  The TBR Justification for Non-Competitive Purchases and Contracts Form must be completed and approved by the institution’s procurement office or TBR Central Office (when applicable).

C. Purchases for Resale in Auxiliary Enterprises

Purchases of items for resale shall be made as follows:

1. Textbooks and other course related materials may be purchased without adherence to Section IV of this policy, Minimum Notice and Number of Bids. All textbook ordering lists and authorization forms must be maintained for audit purposes.

2. Certain items for resale for which customers have expressed a preference, and/or promotional items procured under accepted retail merchandising practices, may be purchased without adherence to Section IV of this Policy, Minimum Notice and Number of Bids. Appropriate documentation shall be maintained which supports the action taken.

D. Purchases for Libraries, Excluding Materials and Supplies Identified for Consumption by the Library

Purchases of materials for additions to a library collection include cost of books, catalogs, periodicals, binding, audio-visual media, and other general publications. These items are capital expenditures. Each institution and technology center shall be responsible for developing procurement policies and procedures for the library. These purchases may be made without formal bids or quotations, and appropriate documentation shall be maintained on these purchases to support sole source procurement.

Purchases of electronic journals, subscriptions, and databases for libraries shall be procured through the institution’s procurement or contract office in instances when a competitive process can be used.  In addition, any required electronic or written agreements to license journals, subscriptions, or databases shall be routed through the institution’s procurement or contracts office for review and approval prior to use.  Appropriate documentation must be maintained for purchases to support sole source procurement. Additionally, these items may require the approval of the Fiscal Review Committee if the purchase exceeds the Fiscal Review Committee threshold.

E. Federal Guidelines

Purchases utilizing federal funding are to follow federal guidelines regarding such purchases. Purchases for goods or services shall not be made from vendors on the List of Parties Excluded From Federal Procurement and Non-procurement Programs.

Subawards of any value should be verified for debarment status. Contracts and purchases equal to or exceeding $25,000 should be verified as to debarment status. This is applicable to the entities as well as the principals. Verification using the Excluded Parties Listing System (EPLS) <https://www.epls.gov/> is the preferred method for verification.

No Higher Education Act (HEA) funds can be used to influence federal official, including matters related to grants, loans, etc. Also, no federal grant or contract funds can be used for lobbying (Byrd Amendment).

F. Utility Contracts

The institution or technology center shall purchase or contract for all telephone, telegraph, electric light, gas, power, postal and other services for which a rate for the use thereof has been established by a public authority in such manner as the institution deems to be in the best interest of the State of Tennessee. Each such purchase or contract shall be made on a competitive basis, whenever possible, in accordance with this policy, unless it has been determined that such purchase is single source. If such purchase has been determined to be single source, the purchase shall then be made pursuant to Section XIV. B., Non-competitive negotiation, of this TBR Purchasing Policy.

XV. COORDINATION OF PROCUREMENT FUNCTIONS AMONG SYSTEM INSTITUTIONS AND TECHNOLOGY CENTERS AND WITH THE UNIVERSITY OF TENNESSEE SYSTEM

In all contracts and other bid processes consideration should be given to such wording that would allow member institutions and technology centers to purchase under the terms and conditions of the bid of the individual institution or technology center.  In all appropriate circumstances, consideration should also be given to wording that would allow UT institutions to purchase under the terms and conditions of the bid of a TBR institution.  TBR institutions shall also be permitted to purchase under the terms and conditions of a bid of the UT System if the bid authorizes TBR institutions to do so.

XVI. LIFE‑CYCLE COSTS

An institution or technology center shall, in a case where the State Board of Standards has adopted a rule requiring life‑cycle costs to be used by the Commissioner of the Department of General Services in contracting for major energy‑consuming products, and may, in a case where a life‑cycle cost and/or energy efficiency standard has been developed for a product by the federal government, apply such life‑cycle cost and/or energy efficiency standard in the determination of the lowest qualified and responsible bidder under this policy.

XVII. DISPOSAL OF SURPLUS PERSONAL PROPERTY

Surplus property is personal property which has been determined obsolete, outmoded, unusable or no longer usable by the institution or technology center, or property for which future needs do not justify the cost of maintenance and/or storage. Disposal of such property must be in accordance with TBR Policy No. 4:02:20:00, Disposal of Surplus Personal Property.

XIII. PROHIBITED TRANSACTIONS

No personal items shall be purchased through the institution or technology center or from funds of the institution or technology center for any employee of the institution or technology center or any relative of any employee. No employee of an institution or technology center responsible for initiating or approving requisitions shall accept or receive, directly or indirectly, from any person, firm or corporation to whom any contract may be awarded, by rebate, gift or otherwise, any money or anything of value whatsoever, or any promise, obligation or contract for future awards or compensation. Whenever any contract is awarded contrary to the provisions of these policies and procedures, the contract shall be void and of no effect, and if the violation was intentional, the employee responsible for the purchase shall be liable for any state funds paid contrary to these policies and procedures.

XIV. REPORTS

Reports shall be submitted to the TBR Central Office as follows:

A. Small/Minority/Women-Owned Business Report. This report consists of transactions with minority**-**owned, women**-**owned, and small businesses required by TCA 12-3-808 shall be reported to the TBR Director of Purchasing and Contracts on a quarterly basis (January‑March, April‑June, July-September, and October‑December).

B. Group Purchasing Report. This report consists of transactions procured with comparison pricing from group purchasing organizations required by TCA 49-7-124 and shall be reported to the TBR Director of Purchasing and Contracts on an annual basis.

C. RFP Diversity Report. This report consists of contracts issued from request for proposals for goods and/or services pursuant to TCA 12-3-807(b) and shall be reported to the TBR Director of Purchasing and Contracts**.**

XX. EXCEPTIONS

Any exceptions to the policies and procedures established herein shall be subject to the approval of the Chancellor or designee. An institution may devise and document procedures for an Alternate Competitive Procurement Method and use the methodology in a specific contractor selection process, provided that prior, written approval of the Chancellor or designee is obtained for the proposed method to be used in the specified instance .

XXI. COUNCIL OF BUYERS

The Chancellor has established a Council of Buyers. The Council shall be comprised of at least one (1) procurement representative from each institution, and representatives from the TBR Central Office appointed by the Chancellor. The Council should meet quarterly, or at minimum semi-annually, or upon request of the Chancellor or designee, and shall have the responsibilities including but not limited to the following:

A. Development of uniform procedures, forms, and general conditions governing procurement which may be feasible and practicable for use by all institutions and technology centers in the System, including affirmative action and equal opportunity provisions, for review and approval by the Chancellor. Uniform procedures, forms, and general conditions governing procurement developed by the Council of Buyers shall be posted at the TBR web site.

B. Formulation of standard specifications for purchase of specific materials, supplies, equipment**,** and/or services which may be feasible and practicable for use by the institutions and technology centers, for review and approval by the Chancellor or designee. Standard specifications for purchase of specific materials, supplies, equipment**,** and/or services developed by the Council of Buyers shall be posted at the TBR web site.

C. Consideration of the feasibility and advantages of possible term contracts for the System, of designation of certain institutions or technology centers as responsible procurement agents for specific materials, supplies, equipment**,** and/or services for the System, and of the possibility of coordinating procurement functions among institutions and technology centers within geographic areas, with recommendations to be submitted to the Chancellor.

D. Formulation of a uniform code of ethics for governing the professional conduct of employees responsible for procurement**.** (Attachment B)

E. Any other matters referred to the Council by the Chancelloror designee.

**3.2 Requisition Exceptions**

All purchases must have a requisition to authorize payment for the order with the following exceptions:

1. Materials and services obtained from departments within the College - These charge-backs are processed by journal voucher based upon receipt of notification and approval of all departments involved. Examples of such materials include copier paper, towels from Physical Plant department, and computer printer paper from Computer Services department.

2. Supplies obtained from College Bookstores - These purchases are charged back to the departments by journal voucher on a monthly basis.

3. Cafeteria/Grille Services - All College food services are charged back to departments by journal voucher on a monthly basis.

4. Petty Cash - Small purchases may be paid for in advance by an employee with reimbursement coming from the petty cash fund (ref. Petty Cash Purchases, 5.6).

5. Staples Office Supply Purchases-The Staples contract should be used for office supply purchases utilizing the Staples link website. The orders and approvals are submitting electronically and essentially serves as the requisition and purchase order when all approvals are in place and the order is submitted electronically to Staples.

**3.3 MEMBERSHIPS AND SUBSCRIPTIONS**

All memberships and subscriptions, new or renewal, must be reviewed and approved by the President prior to committing the college in any way. (Exception: Library subscriptions are processed in adherence to Library purchasing guidelines.)

The following guidelines will be followed when requesting approval for institutional memberships and subscriptions.

1. The following guidelines will be followed when requesting approval for institutional memberships and subscriptions. Memberships or subscriptions purchased with restricted gift, grant, or contract funds are not subject to this policy. Campus libraries are exempt from this policy.
	1. The requesting unit head will be required to submit the appropriate Membership or Subscription Approval form and documentation that the membership or subscription is directly related to the goals and mission of the college or department**.** Directly related to the mission means a membership or publication subscription without which the mission of the College or department would be impossible or difficult to perform.
	2. The College will not pay membership dues or subscriptions of an individual when the membership is primarily to enhance an employee's professional status.
	3. Duplicate memberships and subscriptions should be avoided; if a duplicate membership or subscription is requested, documentation must be submitted justifying the need for duplication.
	4. The College will not pay for memberships in civic organizations.
	5. The President must approve all memberships and subscriptions prior to ordering.
	6. Subscriptions to political publications will not be approved except in the library.
	7. The College will not pay the membership dues or subscription of an individual. An exception may be granted in instances where an organization does not permit institutional membership or where an individual membership (in the name of an institutional representative) is less expensive than an institutional membership.
	8. Where membership dues are included as part or all of the expense of an organization meeting for which the College pays the expense of an employee to attend, the appropriate expenses shall be considered membership dues and subject to the approval process outlined herein. The only exception to this provision is for those instances where the registration fee including the membership is less costly than the non-member registration fee. In such instances, the amount paid will be considered a registration fee and no part shall be considered a membership fee.
2. Newspaper clipping services must be approved by the President and by the Chancellor of the Tennessee Board of Regents.

If utilized, the Public Relations Office will keep on file the justification for the clipping service. It shall include (1) the subjects to be clipped; (2) the type of service requested (daily newspapers, etc.); (3) the use of the information provided by the service including to whom the clippings are circulated in the institution; (4) how the clippings benefit the College; and (5) evidence that the clipping service is the most economical means of meeting the institution's needs.

**3.4 Standing (Blanket) Order Guidelines.**

Standing purchase orders are appropriate in circumstances where it is expected that recurring purchases will be made with a particular vendor through the course of a fiscal year.

Generally, a Standing purchase order for no more than $9,999 for the period July 1 through December 31 may be used. If necessary, a second Standing order may be approved no earlier than January 1 for no more than $9,999 that will be effective through June 30. Should further purchases be necessary after funds obligated under a Standing order are exhausted, then documented quotes or formal bids must be obtained. If multiple Standing orders are used by a department, then the total of all individual Standing orders for a given vendor will apply toward the limit of $9,999 regardless of originating account.

Standing orders may be issued for larger amounts if they are supported by bidding, contracts, or other acceptable methods. A series of Standing orders may not be used to circumvent bidding or other requirements. Standing orders may not be amended or modified except to liquidate the PO. Departments are limited to **no more than two Standing purchase orders per year per vendor** unless the purchases involve goods for resale or are related to revenue generating accounts. Items for resale are not subject to the dollar limit.

It is imperative that departments plan and ensure that adequate funds are encumbered on Standing purchase orders if they are used. Additional Standing purchase orders may be approved only by documented exception requested in writing by the Department Head/Dean for special projects such as remodeling or other unexpected circumstances.

**IV. EXPENDITURE OF FUNDS**

4.1 Fund Sources

4.2 Index/Organization Numbers

4.3 Requisitions for Purchase

4.4 Preparation of the Requisition

4.5 Fiscal Year-End Deadline

4.6 Petty Cash Purchases

4.7 Prepayments

4.8 State Contract Purchases

4.9 Invoice Approval

4.10 Central Receiving

**EXPENDITURE OF FUNDS**

**4.1 FUND SOURCES**

1. All funds deposited with the College, including those received from/for student related activities, must be handled in accordance with College policy.

2. Allocated funds are placed in individual departmental budgets for each fiscal year.

These funds are set aside to cover approved expenditures requested by the department and must be handled in accordance with College and Board policy.

**4.2 INDEX/ORGANIZATION NUMBERS**

The Business Office assigns each department/division. Each requisition must be charged to Organization codes having sufficient funds available to cover the commitment.

**4.3 REQUISITION FOR PURCHASE**

The purchase requisition serves as the official request to initiate purchase, and to authorize the expense to be charged to the departmental account.

1. To initiate the purchase of supplies or services, a requisition must be created in the College’s automated purchasing system. (Banner). The requisition must contain sufficient information/detail to allow the approving parties to feel confident that the purchase is justified and also sufficient detail to allow the purchasing department to issue a Request for Quotation or Purchase Order. Once the requisition is completed, the requisition is electronically submitted to all persons from whom an approval is required to authorize the purchase. Details for preparing the requisition are contained in the Banner Training Materials.

**2. No department/employee is authorized to initiate a purchase without prior**

**approval of the purchasing department, except for the following exceptions.**

a. Each budget manager may approve the purchase of items meeting the requirements as specified in the petty cash reimbursement policy. (See Section 5.6)

b. Each budget manager may approve the purchase of items as previously approved on a Blanket Purchase Order. This approval is limited to the total amount of the Blanket Purchase Order.

In instances when special needs arise, contact the Purchasing Department for assistance. The Purchasing Department staff will assist in expediting the issuance of an order in case of emergency if all required approvals have been processed.

c. Each department is encouraged to maintain a requisition log by account for all requisitions entered into the electronic purchasing system. NUMBERING SHOULD BEGIN WITH THE FISCAL YEAR (i.e. 00-001, for the 1999-2000 fiscal year, etc.) This is essential to maintain proper control and accountability over purchases. Since most departments have more than one account for which they are responsible, it is advisable to assign separate numbers and maintain separate logs for each account for which the department is responsible.

**4.4 PREPARATION OF THE REQUISITION**

To facilitate the processing of the requisition and to expedite service, the Purchasing Department offers the following suggestions in preparing the requisition.

1. ALL required information should be entered clearly and concisely in the correct section/screen as defined in the Purchasing Training Manual.

2. Careful attention should be made in assigning the correct account code to each item to be purchased.

3. Specify the date delivery is required, if applicable for the purchase.

4. **Provide adequate description of the items or services required, giving appropriate size, and color, etc. Where possible, indicate a catalog name, stock number, or model number for reference, if the item is not to be bid.**

5. Each requisition should list only items, which can be furnished by an individual supplier, e.g., do not request scientific and office supplies on the same requisition.

6. When possible, indicate one source of supply, by selecting that vendor from the vendor list in Self-Service or Internet Native Banner. If the item is to be bid and a list of suggested vendors is available, forward such list to the Purchasing Department.

7. Submit the requisition in ample time to permit the Purchasing Department to bid if necessary, or to place an order, allowing for shipping time and delays without creating “deadline panic. Consideration should also be given to the time required for completion of the approval process. Supervisors should routinely review the Banner system for any requisitions requiring approval.

**4.5 FISCAL YEAR-END DEADLINE**

Notices will be sent to all departments in the spring regarding the deadline for submitting requisitions prior to the closing of the fiscal year. Strict adherence to the deadlines must be observed.

**4.6 PETTY CASH PURCHASES**

Cash purchases are permitted from personal funds. This is the suggested method in small transactions from local vendors when items are needed which have a cumulative cost less than $50. Reimbursement for such purchases are then made from imprest cash funds under the conditions indicated below.

1. Purchases must be limited to a maximum of $50.00 for any single transaction. Reimbursements for purchases up to $50.00 may be obtained in the Business office at the Main Campus and at the Oak Ridge Branch Campus. Reimbursements for purchases having a cumulative cost up to $25.00 may be obtained at any official off campus site (Knox, Loudon, Campbell, Cumberland, and Scott County sites).

2. To obtain reimbursement, the purchaser must present a receipt, sales slip or ticket, specifically indicating the nature of the expenditure and clearly indicating payment for goods.

3. The individual making the purchase should advise the sales person that the purchase is for a tax-exempt institution. **The College does not reimburse for any tax paid**.

**4.7 PREPAYMENTS**

When the nature of the purchase or the policy of the Vendor requires advance payment, the document text screen in Banner should be completed noting that a check is required with the order.

**4.8 STATE CONTRACT PURCHASES**

Purchase of materials or services, for which the State of Tennessee, Department of General Services Purchasing Division, has awarded a contract to a vendor through the competitive bidding process, may be made without bidding providing the vendor meets the contract specifications and price. State and some other contracts may be viewed and searched online. See the Purchasing website for the appropriate links.

**4.9 INVOICE APPROVAL**

In the event that a shipment is not received in the Central Receiving Department for appropriate processing, the invoice(s) related to the shipment will be directed to the ordering department for approval.

Approved invoices should be returned to the Accounts Payable office promptly. Departments should arrange for alternate signatory power in the event staff absences would delay appropriate approval. **This is especially important during the summer months when staff members are** not readily available for approval.

In the event a department feels a vendor has not successfully met the terms and conditions of the order, or damaged goods (\*) have been received, and consequently does not feel payment should be made, notify the Accounts Payable Department immediately, in writing, giving details.

**4.10 CENTRAL RECEIVING**

All supplies, equipment, or materials should be delivered to the Main Campus – Central Receiving Department for verification and subsequent delivery to the department as specified on the requisition. The Shipping and Receiving Clerk must enter the receipt of goods into the electronic purchasing system. The quantity received and the quality of the goods received is noted on the appropriate screen. As a general rule, deliveries should be made to departments on the main campus within 24 hours of receipt. Deliveries to be sent to another campus should be transferred by courier or appropriate other transportation within 48 hours. The department to whom the materials are delivered has ten days after the College received the goods to notify the Shipping and Receiving Clerk and the Accounts Payable staff if there is a problem with the order received. If no notification is received within 10 days, the Accounts Payable staff will process payment of the order upon receipt of invoice.

Items received by the Central Receiving Department are logged in, and record is made of any noticeable damage. At the time of internal delivery by the Shipping and Receiving Clerk, a departmental signature is required to certify receipt of delivery. Complete records on all receiving reports shall be maintained in order to provide for a clear audit trail on the receipt of all purchases.

**V. THE PURCHASE ORDER**

5.1 General Information

5.2 General Purchase Orders

5.3 Outstanding Purchase Orders

5.4 Cancellation/Modification

5.5 Errors in Orders

5.6 Returns for Credit

**THE PURCHASE ORDER**

**5.1 GENERAL INFORMATION**

**The purchase order is prepared by the Purchasing Department by transferring an approved requisition to a purchase order. Normal distribution is handled electronically through SciQuest.**

**5.2 ISSUANCE OF A PURCHASE ORDER**

The purchase order is issued from the electronic purchasing system. These purchase orders are sequentially numbered by the system. The Purchase Orders are issued by the Purchasing Department only.

**5.3 OUTSTANDING PURCHASE ORDERS**

A periodic check of outstanding purchase orders is made to determine the status of the order. When an order has not been received within a reasonable period of time, the vendor is contacted and the initiating department is notified of the reason for the delay. Any subsequent action is determined by the Department.

**5.4 CANCELLATION/MODIFICATION**

A request to cancel, or modify a purchase order, including a decrease in the dollar amount of the order, should be submitted to the Purchasing Department in writing, by an officially authorized staff member, stating the reason for the change and referring to the purchase order number and vendor’s name. Generally, increases in the amounts or scope of a purchase will require a requisition and new purchase order to address the additions.

**5.5 ERRORS IN ORDERS**

Any error in a shipment or a related invoice should be reported immediately to the Accounts Payable Department who will stop payment for the goods and notify the Purchasing Department for further action. All pertinent information should be included, i.e., identification of the problem, vendor, purchase order number, and copy of the invoice if available.

**5.6 RETURNS FOR CREDIT**

When items specified on a purchase order have been shipped by a vendor and received by the College, the vendor has legally complied with his/her part of the contract. He/She is therefore under no obligation to accept for credit any item(s) delivered as specified.

When a department requests the return of any item(s), a “request for permission to return” memo is required, giving reason for return, and must be processed through the Purchasing Department. **No returns are to be made by an individual department.**

Allowable returns are usually assessed a “restocking charge”. Such charges will be assessed to the ordering department.

Credit memos received by a department must be handled in the same manner as an invoice, they should be sent immediately to the Accounts Payable Department.

**VI. INTERNAL PROCESSING AND CONTROL**

6.1 Shipment Receiving in Damaged Condition

6.2 Claims Procedure

6.3 Shortage in Shipment

6.4 Departmental Receiving

6.5 Return of Items

6.6 Receiving of Personal Items

6.7 Inspection of Items Received

**INTERNAL PROCESSING AND CONTROL**

All deliveries to Roane State are delivered to the Shipping and Receiving Department on the main campus.

**6.1 SHIPMENT RECEIVED IN DAMAGED CONDITION**

Upon delivery to the College by common or vendor carrier, the Shipping and Receiving Clerk inspect all packaging for possible damage. It is imperative that the following instructions be strictly adhered to in order to comply with Interstate Commerce regulations in making claims against any delivery. (See 7.4)

1. When shipment is received in damaged condition:

a. If damage is apparent at the time of delivery, the Shipping and Receiving Clerk will insist that the driver of the delivery carrier note the damage on both the College copy and the carrier’s copy of the freight bill or delivery ticket.

b. Send the College copy of the freight bill, along with a memo noting the damage, to the Purchasing Department, describing in full the extent of the damage and if replacement is required. Notations should also be made on the Receiving screens in the electronic purchasing system. When possible, take Polaroid-type pictures for our files.

2. When damage is discovered after receipt of shipment:

a. Concealed damage (that which is not immediately apparent upon delivery, or until opened) must be reported to the delivering carrier within ten days after date of delivery.

b. **Hold merchandise and all packaging material for the carrier’s inspection. This is very important.** It is best if equipment or merchandise can be left in the carton exactly as received. The claim will not be honored if the carrier representative does not inspect packing material as well as the damaged article.

**6.2 CLAIMS PROCEDURES**

The Purchasing Department will initiate the following procedure to place claim against the carrier upon receipt of notification from the Shipping and Receiving Clerk:

1. The following papers must be presented by the Purchasing Department:

a. A claim form properly filled out, showing in detail the amount of claim and other pertinent information required for processing.

b. The original freight bill or delivery ticket with notation of damage endorsed thereon, or original freight bill with concealed damage report attached.

c. Original Bill of Lading and original invoice or certified copy.

2. The surrender of both freight bill and bill of lading is required to prevent duplicate claims being made by both shipper and consignee.

3. In no case should damaged goods be returned without authorization and shipping instructions.

**6.3 SHORTAGE IN SHIPMENT**

The following procedure shall be followed in noting a shortage in shipment of order (See 7.4).

1. If shortage is noted at time of delivery, insist that carrier driver note shortage on both the College copy and the carrier copy of the freight bill/delivery ticket.

2. Wait three (3) days for missing item or package.

3. If material is listed on invoice and is not received within this period, send memo and freight bill/delivery ticket to Purchasing Department, referencing the purchase order number and/or invoice number if available.

4. If shortage is noted after opening package in department, check invoice to determine if item is on backorder. If indication is that item was shipped, notify Purchasing Department, giving purchase order number, invoice number or shipping/delivery ticket number, and other pertinent information so contact can be made with vendor.

**6.4 DEPARTMENTAL RECEIVING**

**It is the responsibility of each department head to designate a staff member as authorized representative to receive and immediately open and inspect each order delivered to the department.** This is especially critical during Summer Semester, and during periods between semesters, when some staff members are on a modified schedule.

In the event there is any problem with a shipment, whether quality, quantity or damage, it is the receiving individuals responsibility to notify Purchasing Department staff to initiate appropriate action to correct the problem, following the procedures outlined previously. Accounts Payable staff must also be notified to stop payment for goods received. A receiving receipt should be entered into SciQuest immediately.

**6.5 RETURN OF ITEMS**

All returns must be handled through the Purchasing Department. The Shipping and Receiving Clerk will ship the returns.

Each department is responsible for properly packaging materials to be returned. If assistance is required for packaging materials, call the Purchasing Department. All packages returned must have a “UPS/POSTAL SHIPMENT” form attached with complete information. These forms are kept on file for reference in the event items are lost or damaged in transit. Blank forms may be obtained from the Purchasing Department. (See Forms, 11.14)

**6.6 RECEIVING OF PERSONAL ITEMS**

Items of a personal nature should not be shipped to the college. This is not intended to preclude shipments of textbooks, samples, or other similar items so long as they are work related items. Under no circumstances will the college be responsible for any loss, damage, theft, or other liability that may result from the shipment of personal items to the college

**6.7 INSPECTION OF ITEMS RECEIVED**

All items shipped to the college will be subject to opening and inspection.

**VII. INVENTORY CONTROL**

7.1 Responsibility

7.2 Loss or Theft

7.3 College Property Damaged in Use

7.4 Disposal of Surplus Property

**INVENTORY CONTROL**

**7.1 RESPONSIBILITY**

Please refer to RSCC Policy BA-03-01 for inventory policy.

<http://www.roanestate.edu/policies/BA-03-01.pdf>

**7.2 LOSS OR THEFT**

Immediately upon discovery of the loss or theft of an item, the department involved must call campus security to report the potential theft. Written report of the potential theft should be reported immediately to the Vice President of Financial Services, giving all pertinent information regarding the description of the item and the circumstances surrounding the loss. This information must be reported to the Tennessee Board of Regents. Refer to RSCC Policies BA-03-01 Equipment Capitalization and Physical Inventory, BA-03-02 Use of College Equipment, and BA-03-02 Property Loss Reporting Requirements.

**7.3 COLLEGE PROPERTY DAMAGED IN USE**

College property, which has been broken or damaged beyond use, should be reported as such on an Inventory Disposition Form to the Property Control Officer of the College. After approval of the Inventory Disposition Form by the President or his/her designee, a copy of the approved form will be sent to the Shipping and Receiving Clerk for subsequent pickup for disposition of the equipment. At no time should a department take the initiative in disposing of College property unless officially authorized to do so.

**7.4 DISPOSAL OF SURPLUS PROPERTY**

When property is no longer of any use to a department by reason of age, condition or need, this property may be declared surplus to the department by completing an Inventory Disposition Form. The President or his/her designee must approve the form. Upon approval of the form, a copy will be forwarded to the Shipping and Receiving Clerk for subsequent pickup of the property. The Shipping and Receiving Clerk will decide the most appropriate disposition for the property, placing highest priority on transferring the property to another department with a need for it within their program.

Surplus property may be disposed of in a number of different ways, dependent upon the type, condition and value of the property, and the most feasible method of handling the disposition. This procedure is set forth by the Tennessee Board of Regents and by State policy.

Under no circumstance should an employee take it upon himself or herself to remove or dispose of any item or piece of property from their department without prior approval from the delegated surplus property supervisor.

Most surplus property that is not transferred for other college uses is donated to K-12 public schools, sold for scrap-metal, or publicly auctioned via GovDeals. Property for sale at a given point in time may be viewed at the following link.

<http://www.govdeals.com/eas/advSearchResults.cfm?sortoption=DA&StartRow=1&inv_nbr=&myselectbox=00&desc=&myseller=647&mystate>=

Employees may bid on items so long as they use their own time and do not use the college’s computer equipment.

**VIII. MISCELLANEOUS INFORMATION**

8.1 Minority Vendors/Affirmative Action

8.2 Vendor Files and Records

8.3 Supply Sources

8.4 Purchase of Surplus Property

8.5 Audio Visual Equipment and Supplies

8.6 Sales Tax

8.7 Public Relations

**MISCELLANEOUS INFORMATION**

**8.1 MINORITY VENDORS/AFFIRMATIVE ACTION**

Roane State is committed to the principles of Affirmative Action. We endeavor to apply these principles in our procurement actions by fostering greater participation among minority-owned enterprises and those owned by the socially and economically disadvantaged.

The college shall actively solicit bids from small and minority owned businesses in order to obtain a fair proportion of goods and services from such businesses, whenever possible.

An updated minority/woman-owned/small business vendor file is maintained in the Purchasing Department and is available for all departments. It is imperative that we utilize these vendors when applicable to our needs, to adhere to State and Tennessee Board of Regents policy.

**8.2 VENDOR FILES AND RECORDS**

The Purchasing Department maintains a Vendor file with a cross-reference to products supplied. Vendors are added to the file upon request (ref. Forms, 11.9), and a record of their performance is entered for reference.

A limited selection of product books and literature are also available from the Purchasing Department. These may be checked out for review. In many cases, catalogs, specifications, and other information about products is available on company websites.

**8.3 SUPPLY SOURCES**

Requisitioning departments are requested to suggest sources of supply for unusual or highly technical items or equipment not ordinarily purchased. This will enable the Purchasing Department to process the order faster.

**8.4 PURCHASE OF SURPLUS PROPERTY**

Federal and State surplus property is made available to the College through the Department of General Services, Federal Property Utilization Division, in Nashville. Purchases from this source can be made only through presentation of a “Letter of Authorization” from the President of the College.

If you desire information on products available from this source, contact the Purchasing Department.

**8.5 SALES TAX**

As a component of the State University and Community College System of Tennessee, Roane State is exempt from State, County and City sales or use tax. Tax-exemption forms are on file in the Purchasing Department and will be furnished with the purchase order when requested. Local vendors should be notified of our tax-exempt status when making any purchases.

The College will not reimburse tax paid.

**8.6 PUBLIC RELATIONS**

It is the goal of the Purchasing Department to maintain a good working relationship with the staff and faculty who we serve, with the vendors soliciting and serving the College, and with the public. To attain this goal, the Purchasing Department must maintain a position of confidence by assuring fair and equitable treatment at all times so that the interests of all parties are properly protected.

We request your cooperation in following the guidelines presented in these pages. Only through a cooperative spirit can the College attain the maximum benefit of our endeavor.

**IX. TENNESSEE TECHNOLOGY CENTERS**

**PURCHASING PROCEDURES**

9.1 Purchases Less Than $10,000

9.2 Purchases $10,000 But Less Than $50,000

9.3 Purchases In Excess Of $50,000

9.4 Stores Operation

9.5 Sole Source/Proprietary Purchases

9.6 College Assistance

9.7 Budget Control

9.8 Discounts

9.9 State Contract Purchases

9.10 Minority/Small Business Purchases

**PURCHASING PROCEDURES**

**FOR**

**TENNESSEE TECHNOLOGY CENTER AT CROSSVILLE**

**TENNESSEE TECHNOLOGY CENTER AT HARRIMAN**

**TENNESSEE TECHNOLOGY CENTER AT JACKSBORO**

**TENNESSEE TECHNOLOGY CENTER AT ONEIDA**

The purchasing policies and procedures set forth in this section are applicable to the four Tennessee Technology Centers who operate under the Tennessee Board of Regents with Roane State Community College serving as the Lead Institution.

**PURCHASING**

All purchasing transactions for each technology center are coordinated through the Roane State Community College Purchasing Department. The following policies, in conjunction with and in addition to Tennessee Board of Regents policies and guidelines enumerated in this manual, will govern all purchasing activities. It shall be the responsibility of the Director of each school to ensure adherence to these policies.

**9.1 PURCHASES LESS THAN $10,000**

Purchases less than $10,000 may be processed by each Technology Center using general acceptable purchasing procedures. These purchases will be paid through the technology center’s revolving account. Purchases in this category may be negotiated; however, all purchases will be based on the concept of competitive bidding where practical.

**9.2 PURCHASES $10,000 BUT LESS THAN $50,000**

Purchases between $10,000 and $50,000 may be initiated by each technology center, with written or telephone bids solicited from a minimum of three (3) qualified vendors. When telephone bids are solicited, a written record must be retained, giving in detail the amount bid and other pertinent information obtained from each vendor. Complete bid documentation must be submitted to the College along with related payment requests.

**9.3 PURCHASES IN EXCESS OF $50,000**

Purchases $50,000 or more will be requisitioned by each technology center for bidding by the College. Award of order will be made after the analysis of bid has been reviewed by technology center personnel and Roane State Community College Purchasing Department staff. When low bid is not acceptable, specifications will be reviewed and mutual agreement reached on award, based on acceptable specifications. Sufficient documentation must be presented to justify rejection of the low bid.

**9.4 STORES OPERATION**

Purchases made for resale through stores operation shall be made as follows:

A. Textbooks and other course related material may be purchased without adherence to Section III of TBR Policy 4:02:10:00, relating to minimum notice and number of bids. All textbook ordering lists and authorization forms must be maintained for audit purposes.

B. Certain items for resale for which customers have expressed a preference, and/or new or promotional items, procured under accepted retail merchandising practices, may be purchased without adherence to Section III of TBR Policy 4:02:10:00. Appropriate documentation shall be maintained which supports the action taken.

**9.5 SOLE SOURCE/PROPRIETARY PURCHASES**

Sole source or proprietary purchases must be approved by the Director of the center prior to purchase. Record of justification must be kept for reporting purposes.

**9.6 COLLEGE ASSISTANCE**

The College Purchasing Office will be available at all times to assist the Technology Centers with respect to their needs.

**9.7 BUDGET CONTROL**

Budget control is the responsibility of the Director of each center. Care should be taken to avoid purchases against accounts where funds are depleted. Each Director should develop procedures to ensure the proper control over each account and the proper authorization of all purchases.

**9.8 DISCOUNTS**

Care should be taken to expedite every payment on a local level to take advantage of discounts offered for prompt payment of accounts.

**9.9 STATE CONTRACT PURCHASES**

Purchases should be made from vendors who have contracts with the State where feasible. These purchases have been previously bid and do not require additional bidding.

**9.10 MINORITY/SMALL BUSINESS PURCHASES**

Minority, woman-owned and small businesses should be identified and actively engaged in business when products and services can be utilized to supply the needs of the school. (Ref. 9.1)

A record of all transactions with minority businesses should be maintained for reporting to the Board of Regents on a quarterly basis. Each center shall send their report to the Roane State Purchasing Department by the third Friday following the quarter ended.

**X. CREDIT CARDS**

**10.1 CREDIT CARD USE**

Credit cards are used to facilitate the purchase of goods and services in instances where it may be the most effective and efficient purchase method and to have a mechanism to purchase during emergency or other unusual circumstances. Internet-based purchases where purchase orders are not accepted is one example of the type of purchase where a credit card may be used.

Use of the credit card is not intended to replace or circumvent normal purchasing policies and procedures and is intended primarily for circumstances where use of purchase orders or other authorized purchasing methods are not possible or practical.

**10.2 TRANSACTION LIMITS**

Single transactions are limited to $4,999.99.

**10.3 AUTHORIZATION/APPROVALS**

Individuals must complete a Request for Credit Card Purchase form to purchase items and the actual purchase will be made by the (1) Purchasing office or (2) Vice President for Business and Finance office. Cards may not be checked out by individuals to take to a business for purchases. Purchases totaling $499.99 or less must be approved by Budget Manager. In addition, purchases $500 or greater must be approved by the Vice President for Business and Finance.

**10.4 RECEIVING**

Individuals for whom items were purchased must immediately notify Purchasing or the Vice President for Business and Finance, as applicable, when the order is received via email. Individuals should send the notification of receipt to the respective office that processed their purchase.

**10.5 TAXES**

Sales tax should not be paid on purchases.

**10.6 RECORD KEEPING**

Each individual assigned a card will maintain their log of transactions and reconcile the log each month to statements or other records provided by the bank. The reconciled log and supporting documentation should be sent to the Business Office to support the payment made to the bank.

**10.7 EMERGENCIES**

Credit cards may be used in emergency or other unusual circumstances as directed by the Vice President for Business and Finance and/or the President.

**10.8 EXCEPTIONS**

Exceptions to this policy may be made by the President or Vice President for Business and Finance.

**REQUEST FOR CREDIT CARD PURCHASE**

|  |  |  |  |
| --- | --- | --- | --- |
| NAME: |  | DATE: |  |
| DEPARTMENT: |  |
| FOAPAL: |  |  |  |  |  |
| Index | Fund | Program | Organization | Account |
| Purpose of Request: |
| Vendor: |
| Vendor Address: |  |
| Total of Request: |  |
| Website Link: |  |
| Vendor Telephone Number: |  |
| DESCRIPTION OF ITEMS TO BE PURCHASED: (Please provide specific model numbers, quantities, product names, prices, etc. Be as specific as possible to ensure that the correct items are ordered. Be sure to specify, sizes, colors, or any other options. Also, please attach screen prints, catalogs, or any other documentation that may be helpful.) |

Requestor Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Approval:

Budget Manager Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\*Vice President for Business and Finance: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\*(If purchase is $500 or greater)