

SOUTHEAST ARKANSAS COLLEGE

PURCHASING INSTRUCTION MANUAL

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State of Arkansas Procurement Laws and Rules are located at:
<https://www.transform.ar.gov/procurement/agencies/laws-and-guidelines/>

Proper Purchasing Procedure: 1) Requisition, 2) Approvals, 3) Purchase Order, 4) Place Order

Purchases over purchase order amount are limited to 10% or \$100 (whichever is less) exclusive of sales tax. Invoices that exceed the purchase order above these limits will require additional approvals.

Purchasing Procedures

INTRODUCTION

This manual is intended to benefit those employees who are involved in the requisitioning of supplies and services within the College. It should serve as a reference source for official policies and procedures and as a vital function of informing personnel of proper requisitioning procedures.

Due to constant changes in laws, regulations, policies, etc., it would be impossible to cover every requirement or situation involved in the purchasing process. This material is being made available in a form more responsive to change and only provides brief guidance for normal processes and is subject to change at any given time. If a specific type of process or requirement is not covered in this manual, please contact the Purchasing Department for more information.

PURCHASING AUTHORITY

All purchases, rentals, leases, and lease/purchases to which the College is party are subject to regulations and procedures as stipulated in the Arkansas statutes. All types of purchases, regardless of the source of funds, are subject to these regulations and procedures and require prior approval of the Purchasing Department. The Agency Procurement Official and/or Purchasing Specialist are the purchasing authorities for the College. Purchases made without the authorization of the Purchasing Department are not legal obligations of the College. ***Any individual making a purchase without proper authority is assuming a personal obligation to the vendor for which he/she may be held personally liable.***

PURCHASE REQUEST PRIOR TO ANY COMMITMENT

Accountability is a must; a requisition and supporting documentation must be approved by authorized approvers. An approved purchase order must be in place prior to any commitment that would result in the expenditure of funds. Individuals should use caution when researching or inquiring about services or products with any vendor. A simple conversation can sometimes be easily interpreted by a vendor/contractor as an obligation by SEARK for the product or service.

Once a requester has obtained proper approvals and the approved requisition is received in the Purchasing Office, a purchase order will be processed. **No purchases are to be made without an approved purchase order.**

No requisition can be processed with a deficit budget amount.

Requisitions for computer equipment, software, or any computer-related items should be approved by the Director of Computer Services. A designated IT department employee will review all such purchases and must approve for compatibility and appropriateness to work on the campus computer system.

SELLING TO STATE AFTER TERMINATION OF EMPLOYMENT IS PROHIBITED

- (1) It shall be a breach of ethical standards for any former employee, unless the former employee's last annual salary based on the state fiscal year did not exceed fifteen thousand dollars (\$15,000), to engage in selling or attempting to sell commodities or services, including technical or professional consultant services, to the state for one (1) year following the date employment ceased.
- (2) As used in the subsection, "sell" means:
 - (a) Signing a bid, proposal, or contract;
 - (b) Negotiating a contract;
 - (c) Contacting any employee for the purpose of obtaining, negotiating, or discussing changes in specifications, price, cost allowances, or other terms of a contract;
 - (d) Settling disputes concerning performance of a contract; or
 - (e) Any other liaison activity with a view toward the ultimate consummation of a sale although the actual contract for the sale is subsequently negotiated by another person (Arkansas Code Annotated § 19-11-709).

DISCLOSURE OF BENEFITS RECEIVED FROM CONTRACTS

All personnel are to be informed that Arkansas Act 483 of 1979, as amended, requires any individual drawing a salary from a state agency who has or obtains any benefit from any state contract with a business in which the employee or a member of his/her immediate family has a financial interest, shall report such benefit to the Department of Finance and Administration. The Act covers, in great detail, ethics in public contracting and penalties for violation of any of the provisions. When suggesting a vendor, do not list any business in which SEARK employees have a known financial interest.

DISCLOSURE CERTIFICATION

In compliance with Governor's Executive Order 98-04 and the regulations resulting from any such contract executed by Southeast Arkansas College which exceeds \$25,000, the contractor/individual shall disclose information as required (pgs. 5-8). (A purchase order is considered a legal contract.) This information is usually captured on a Contract and Grant Disclosure Form, which is available in the Purchasing Office.

This requirement is for each individual transaction exceeding \$25,000 unless it is exempt (EO 98-04, pg. 5-6). In addition, procurements solicited by invitation for bid or request for proposal exceeding \$10,000 must also be accompanied by a Contract and Grant Disclosure Form completed by the prospective contractor (*State of Arkansas Procurement Manual*, pgs. 7-13).

MINORITY PURCHASING GOALS

In accordance with ACT 698 of 1991, the College established a Minority Purchasing Program which supports the policy of the State of Arkansas to promote equal opportunity as well as economic development in every sector. The College is committed to utilizing minority businesses to the maximum extent feasible. An annual procurement goal of ten percent (10%) business with minority firms has been established. SEARK shall, within the limits of state statutes and regulations, pursue the award of a fair share of all contracts with minority businesses and shall encourage and assist minority businesses in the methods of doing business with the College. The SEARK Purchasing Department maintains a listing of all known minority vendors and reviews all small orders to identify any goods or services that can be procured from a minority vendor. When SEARK obtains goods or services using the competitive bid process, at least one of the bids considered shall attempt to be solicited from a minority business if it sells the type of commodity or service being procured. All College employees are encouraged to assist the Purchasing Department in this very important program. If you are aware of any minority firms that can provide goods or services to SEARK, please contact the Purchasing Department.

SMALL PURCHASE

Purchases for most commodities and services totaling \$20,000 or less or \$40,000 and under for a certified minority- or women-owned business (small orders), including freight but excluding sales tax, may be made without bid procedures, except for printing and state contract items. Although bidding is not required, departments are advised to exercise prudent judgment in securing the best price.

Circumventing the \$20,000 limit by repeated small quantity procurements of like items—split purchasing—is prohibited by law and will not be allowed.

ESTIMATED PURCHASE REQUEST

On some occasions, the total cost of a product or service cannot be determined at the initial date of need. In these situations, a requisition with the estimated dollar amount should be processed to ensure that all proper laws, regulations, and/or procedures are followed, and funds are available and reserved to pay for the obligation. When the invoice is received and the actual dollar amount is determined, an adjustment can be made to the original estimate for payment. Please contact the Purchasing Department for assistance.

The State of Arkansas requires sales tax to be paid on most purchases. When processing a requisition, you must list sales tax. If you do not have an exact sales tax from the vendor, enter a line item and estimate the sales tax at the rate of 10%. This includes out-of-state vendors.

BID PROCEDURES

Competitive Bids

With a few exceptions, all purchases for commodities and services exceeding \$20,000 (or \$40,000 for a certified minority- or women-owned business) in total cost, not including sales tax, are subject to bid procedures. Purchases for normal commodities and services that total over \$20,000 but not over \$75,000 will be awarded by use of competitive bid procedures. Competitive bidding is a method of procurement which requires obtaining bids by phone, email, fax, or mail (*State of Arkansas Procurement Manual*, pg. 2). This procedure can normally be accomplished within five (5) working days but can take longer depending upon the complexity of the product required. Once a minimum of three bids is received, the contract is awarded to the lowest bidder who meets the requirements of the bid specification. Then, a requisition is processed online. Bids are forwarded to the Purchasing Office along with the documentation of the product requested.

Invitation for Bid (Competitive Sealed Bidding)

Purchases totaling more than \$75,000 for commodities and services require formal competitive sealed bid procurement by the Purchasing Department. This procedure requires a public posting, like online at <https://www.seark.edu/bidop>, and takes a minimum of twenty (20) days, normally longer. Individuals requisitioning commodities and services of this nature should allow time for the above procedure when anticipating their departmental needs.

The individual requesting the item is responsible for working with the Purchasing Department to development complete bid documents with a detailed description for each item or service requested.

CAPITAL IMPROVEMENT/PUBLIC WORKS

Capital improvements valued at less than \$35,000 are subject to the Division of Building Authority minimum standards and criteria and are exempt from the requirements of the procurement law (A.C.A. §19-11-203 (14) (Y)). All work the College directly contracts that is estimated over \$35,000 must be formally bid in accordance with Arkansas laws and regulations.

“Capital improvement” means all lands, buildings, structures, utilities, on-site and off-site improvements, and other appurtenant improvements, existing or future, and all construction, repairs, alterations, and renovations thereof which are undertaken, owned, operated, or otherwise managed by a state agency (A.C.A. §19-11-203 (3) (A)).

“Public works” means works, whether of construction or adaptation, undertaken and carried out by the national, state, county, school district, or municipal authorities, and designed to serve some purpose of public necessity, use, or convenience, such as public buildings, roads, aqueducts, parks, and all other fixed works constructed for public use. The term relates to the construction of public improvements and not to their maintenance or operation.

EXCEPTIONS TO BID REQUIREMENTS

There are a few circumstances and items for which Arkansas purchasing law provides exceptions to all or part of the bid requirements. Please note that failing to anticipate needs due to poor planning is **NOT** an exception.

NOTE: Exempt commodities or services do not exclude the approval of a purchase order prior to the acquisition of commodities or services.

Certain purchases, which may be authorized by the purchasing official without the necessity of bid procedures, are as follows:

Exempt Commodities and Services (A.C.A. 19-11-203 (14)):

- (a) Advertising in newspapers, periodicals, and related publications and on television, radio, billboards, and electronic media;
- (b) Commodities procured for resale in cafeterias, commissaries, bookstores, gift shops, canteens, and other similar establishments;
- (c) Fees, including medical fees and physician fees;
- (d) Freight and storage charges and demurrage;
- (e) Licenses required prior to performance of services;
- (f) Maintenance on office machines and technical equipment;
- (g) Membership in professional, trade, and other similar associations;
- (h) Postage;
- (i) Published books, manuals, maps, periodicals, films, technical pamphlets, and copyrighted educational aids for use in libraries and for other informational or instructional purposes in instances in which other applicable law does not provide a restrictive means for the acquisition of these materials;
- (j) Services of visiting speakers, lecturers, and performing artists;
- (k) Taxes;
- (l) Travel expense items such as room and board and transportation charges;
- (m) Utilities;
- (n) Works of art for museum and public display;
- (o) Technical support incidental to supporting the continuous operation of proprietary software, renewals, additional copies, and license upgrades (after the initial procurement of proprietary software)

EMERGENCY PURCHASE

When circumstances dictate that the immediate acquisition of commodities or services is necessary to prevent endangerment of human life or health, state property, or the functional capability of the university, an emergency exists, and an emergency procurement may be initiated (A.C.A. §19-11-204 (4)).

- (a) All emergency procurements must be approved in advance by Purchasing. A department must submit a requisition along with an explanation of the emergency, and unless the emergency is critical,

the department must obtain a minimum of three (3) competitive bids. The quotation abstract must show the names of at least three (3) firms contacted in attempting to obtain competition.

- (b) When time or circumstances do not permit prior approval, approval must be obtained at the earliest date possible. Requests for approval should be in writing and must include a requisition and a written explanation of the emergency. The written explanation must give specific reasons for determining that an emergency existed. The department must also include a copy of a quotation abstract with the request for approval. The quotation abstract must show the names of at least three (3) firms contacted in attempting to obtain competition.
- (c) Emergency procurements can become the personal responsibility of the individuals making the purchases.

SOLE SOURCE PURCHASE

Sole source procurements are those which are only available from a single source and cannot be competitively bid. Brand name or design specifications are not sufficient justification for sole source purchasing. Such procurements may include but are not limited to the following:

- (a) Requirements of performance compatibility with existing commodities or services.
- (b) Repairs involving hidden damages.

Requests for approval should be in writing with the following information and must include a requisition and an explanation of sole source: (1) What the item/unit is to be used for (2) Why no other item/unit can be used (3) Why no other vendor or source can provide the product or a like product. Final determination on sole source designation will be made by the Purchasing Department and recommended for approval to the Vice President of Fiscal Affairs (*State of Arkansas Procurement Manual*, pg. 28).

STATE PURCHASING CONTRACT ITEMS

The State of Arkansas has issued numerous state contracts that SEARK is obligated by law to use. You may wish to call the Purchasing Office to check on mandatory contracts before entering a request.

The following are examples of items which are under statewide term contracts. Commodities may be added to or deleted from this list at any time. These items must be purchased only from the contract source. Go to <https://www.transform.ar.gov/procurement/vendors/state-contracts/> for a complete listing of state contracts.

- | | |
|------------------------------------|--|
| Air Conditioners/Heat Pumps | Ammunition |
| Automobiles (Trucks and Vans) | Copiers |
| Computers | Continuous Forms (Standard and Custom) |
| Custom and Stock Continuous Labels | Index Tab Dividers, Custom Printed |
| Lamps/Ballasts | Envelopes, All |
| Office Supplies, General | Printing - Some types of publications; Letterhead; Forms |
| Snap-Out Forms, All | Software LAR |
| Telephone Instruments | Tires and Tubes |
| Toilet Tissue and Paper Towels | Video Recording Tapes |
| Xerographic & Print Shop Paper | |

OFFICE SUPPLIES

Office supplies are on a mandatory state contract with Government Supply Services (GSS) and Office Depot. Nearly all office supplies, regardless of intended use, must be purchased from GSS or Office Depot. They cannot be purchased from any other source. Departments are advised that many items under contract are not available by choice of brand and/or model number. The contracts are awarded on goods meeting minimum specifications or on an "or equal basis."

****NON-MANDATORY CONTRACT LIST, OFFICE SUPPLIES**

- Batteries
- Break room items – Examples: Coffee pots, coffee, sodas, bottled water, candy, sweetener, creamer, eating utensils, paper plates, napkins, paper towels
- Cleaning Supplies
- Envelopes
- First Aid Supplies, medicines, hand sanitizers
- Furniture
- Gloves
- Kleenex, bathroom tissue
- Lamps
- Light Bulbs
- Office Technology – Computers, monitors, etc.
- Copy & Print Depot – State agencies must follow Amendment 54 and the *State of Arkansas Procurement Laws and Rules* guidelines.
- Promotional Items/Custom Personalized Products – State agencies must follow the *State of Arkansas Procurement Laws and Rules* guidelines.
- Toner, ink cartridges
- Trash bags, can liners

BLANKET PURCHASE ORDER

A blanket purchase is a purchase order issued to one vendor for commodities or services to be secured or rendered over a specific time. List the specific timeframe and the name of the event or the items covered under the blanket purchase.

Restriction: Because the College is required to purchase certain items on state contract and because printing is subject to bidding, blanket purchase orders are not allowed for these types of purchases.

PRINTING

All printing, regardless of the cost, must be processed through state contract, state-operated print shop, or competitive bid process. The printing criteria are as follows:

1. Uses commercial printer’s ink. The use of a soy ink product is REQUIRED for printing.
 - a. Not toner or inks for inkjet printers, etc.
2. Uses a commercial printing press
 - a. Not a digital printer or copy machine
3. Produces on paper
 - a. Not plastic, canvas, etc.

SEARK can solicit bids up to \$100,000 for printing not done at an approved state agency. Detailed specifications and price estimates are a must on all requisitions on printing jobs. When printing is required, contact the Purchasing Department for assistance prior to processing online requisitions.

Note: State regulations absolutely prohibit the College from approving payments for printing that was not procured by authorized purchasing procedures.

COPYING/DIGITAL COPYING

Copying/digital copying is no longer considered printing. Requisitions must state copying or digital copying. Invoices from the vendor must state type of printing, toner or digital.

PROMOTIONAL ITEMS

Promotional items will follow the same bidding process as any other commodities.

RECEIVING GOODS/MERCHANDISE

All incoming freight (with few exceptions) is handled through Shipping and Receiving. If a delivery is attempted in your department, direct that person to Shipping and Receiving.

Upon receipt of delivery, the department should inspect the contents for correct merchandise, quantity, or for damages of any nature. Any packing slips and/or invoices that are received should immediately be forwarded to Accounts Payable (accounts.payable@seark.edu).

BUSINESS CARDS

Business Cards are purchased through Southeast Engravers, Inc. The Purchasing Department will place orders for all business cards. All pertinent information should be forwarded to the Purchasing Department. SEARK's official logo and the approved standard format will be used exclusively.

TRAVEL CARDS/REQUISITIONS

SEARK has a state-issued "Ghost" Travel Card for the purpose of registration fees, hotel accommodations, and airline tickets for most faculty and staff. The President, Vice Presidents, and a select group of faculty and staff may be issued a Travel Card in their name for the purpose of hotel accommodations and airline tickets when traveling individually or with a group. Both types of travel cards follow the same procedures.

Requisitions for hotel accommodations and airline tickets must contain the following minimum information:

- a) Name of person traveling (The name on the ticket to be issued must match exactly the name on your driver's license or another type of photo identification.)
- b) Name of hotel and/or airline
- c) Destination
- d) Dates of departure and return
- e) Name of conference attending
- f) Purpose of trip (conference, recruiting, etc.)

A Travel Authorization (TA) Form must be approved and forwarded to the Purchasing Department prior to a purchase order being processed.

P-CARD (PURCHASING CARD) PURCHASES

SEARK issues P-Cards to authorized individuals for use in their departments. All P-Card purchases must be approved, and a purchase order issued before a purchase can be made. If policies and procedures are not followed, P-Cards can be suspended

or revoked (refer to P-Card Program Policy and Procedures). P-Cards are locked in the vault and must be signed out prior to use.

FOOD PURCHASES ON CAMPUS

No food may be purchased with state/federal funds for SEARK employee-only meetings. Regulations do not allow refreshment expenses for employees.

External organizations, SEARK organizations, and employees meeting with non-employee or student attendees may provide food when meeting on SEARK campus.

CATERING AND SPECIAL MEETINGS

The Shark Attack Food Court (SEARK's food service) has right of first refusal on all catering activities and special meetings on campus or College-sponsored activities off campus.

OFFICE MACHINE REPAIR AND MAINTENANCE SERVICE

Typical office machine repairs are covered by a maintenance contract. Most equipment covered by this type of service has a sticker/tag with the name of the company, phone number, serial number, etc. affixed in a prominent location on the equipment. In these cases, the individual departments call the servicing company directly to schedule the repair/service. All other types of office machine repairs and services must be approved through the Purchasing Department. If the repair/service cost is not known at the time of need, then a requisition with an estimated dollar amount must be processed prior to any repairs or service being done.

CONSTRUCTION, RENOVATION, OR REMODELING

The Facilities Management Director is responsible for all new construction, renovation, and remodeling of all College buildings and grounds. This responsibility covers everything from the construction of a new building to the relocation of an electrical outlet.

All requests from departments that are for construction, renovation, or remodeling or for products that will require construction, renovation, or remodeling for their installation, will be directed to the Facilities Management Director for approval and processing. This process can require several layers of approvals depending on the nature of the project, source of funds, and total estimated cost.

Always contact the Facilities Management Director for assistance in this type of request.

PROFESSIONAL AND CONSULTANT SERVICES

Professional services consist of personal services, which are professional in nature, of an individual or individuals who are not employees of the State of Arkansas. The purchase of professional and consultant services up to \$20,000 can be accomplished by use of a purchase order. Services exceeding \$50,000 in fees require the utilization of a Professional Consultant Services Contract in addition to regular purchasing procedures. These contracts are subject to review and advice by the Office of State Procurement, Arkansas Legislative Council, or Joint Budget Committee Review. Services exceeding \$75,000 are subject to review and advice by the Arkansas Legislative Council. Departments are advised to contact the Purchasing Department for the current procedures and form requirements at least sixty (60) working days in advance of the need for such services involving expenses from \$20,000 to \$75,000 and ninety (90) days in advance for those services involving expenses over \$75,000. A W-9 form must accompany

each purchase request. With recent changes and the possibility of upcoming requirements related to the process and approval of these type contracts, it is advisable that a department should contact the Purchasing Department as soon as a need is known.

VENDOR REGISTRATION APPLICATION

When requesting new vendor set up, it is the responsibility of the department making the request to get all required information. A Vendor Registration Application has been created to assist with collecting the information required to set up new vendors. New vendors will not be set up until the Purchasing Department receives completed forms.

W-9 FORM

The W-9 form is the basis for establishment of vendor maintenance with the State of Arkansas. A vendor maintenance file must be established, or on file, with the Office of State Procurement prior to any payment being processed. W-9 forms must be completed by the individual or group desiring to do business with SEARK prior to payment being processed for that vendor.

ADDITIONAL VENDOR FORMS

In addition to the forms mentioned above, there are some other forms that must be completed before a vendor can be set up in the system. The first is the Israel Boycott Restriction Certification. Arkansas Code Annotated § 25-1-503 stipulates that a public entity, SEARK College, shall not enter into a contract valued at \$1,000 or greater with anyone unless the person/organization has certified in writing that the company is not currently engaged in and for the duration of the contract, will not engage in a Boycott of Israel.

The second form a new vendor must fill out is a Southeast Arkansas Terms & Conditions form. This document explains the laws and regulations that SEARK must adhere to as an agency of the State of Arkansas. Further, it discusses the professional conduct and business practices the College expects of any prospective contractor. The Terms & Conditions form also serves as a binding agreement between the potential vendor and SEARK that the servicer will respect the rights and requirements of the College.

Depending on the method of procurement and/or monetary value of the contract, vendors may be required to complete supplementary forms, like the Contract and Grant Disclosure Form and/or Illegal Immigrant Certification. Copies of all needed vendor forms are available in the Purchasing Office. For questions regarding vendor forms, please contact the Purchasing Department.

DISAPPROVED REQUISITIONS/PURCHASE REQUESTS

Purchase orders will not be processed when a proposed expenditure results in a budget deficit. To remedy this, the department will need to complete a SEARK College Budget Transfer Request, which is available in the Purchasing Office or online at <https://www.seark.edu/employee-forms>. Forward the completed form, with all required signatures, to the Fiscal Support Analyst. The department will then receive notification as to whether the request was approved or denied.

RENTALS, LEASES, LEASE/PURCHASE OF COMMODITIES/EQUIPMENT AND REAL ESTATE

All rentals, leases, lease/purchase contracts, or renewals of any such contracts for commodities or equipment require prior approval of the Purchasing Department. Proposed written agreements should be submitted for execution along with a completed requisition form. In many instances, it will be necessary to conduct bid procedures, as state law requires bidding on all but short-term arrangements for lease or rental of any tangible items. All contracts for the lease of a commodity that

exceeds a cost of seventy-five thousand dollars (\$75,000) during the initial period of the contract shall be awarded based on competitive bidding procedures (A.C.A. § R2 19-11-229 (a)). All motor vehicle leases (over thirty days) must be approved by the State Purchasing Director under the provisions of A.C.A. § 22-8-102. All rentals and leases of real estate must be coordinated by the Division of Building Authority. College needs should be identified and requested through the Purchasing Department. The request should be submitted to the Division of Building Authority ninety (90) days prior to the date the property is needed. They will review the request and act as agent for the College in negotiating the rental or lease of all property.

PREPAYMENTS

The general rule for payment of commodities or services is to pay for them only after the receipt of such. In some unique situations, pre-payments may be required for items such as postage, U. S. Government documents, association dues, registration fees, subscriptions, etc.

PAYMENTS

The Accounts Payable Office is responsible for the production of all checks. Before any check can be written, a purchase order must be issued and a signed receiving copy and a proper invoice from the vendor must be received in the Accounts Payable Office. Forward all packing slips and invoices to Accounts Payable (accounts.payable@seark.edu).

When submitting requisitions for items to be paid in advance, such as registrations, memberships, subscriptions, etc., allow enough time for the approval process. Attach documentation to the requisition stating the cost of the commodity. Take into consideration a purchase order is processed prior to the check being written.

END OF FISCAL YEAR

The end of a fiscal year (FY) is on June 30th of each year, thus the expenditure of funds for each FY must be made on or before this date. Before any actual expenditure is made, a requisition must be processed and approved. The item(s) should be received, or in the case of a labor-related project, the service/project must be completed. The Purchasing Department receives an extremely large number of requisitions during the last two (2) months of the FY. Planning ahead will assure you of the best possibility of meeting your requirements and expending the funds within the FY. (See the paragraphs titled, "SMALL PURCHASE" and "BID PROCEDURES.") Sufficient time is needed for your requirements to be processed, supplies/equipment received, and payment made prior to the end of the FY. All requisitions for equipment items or large amounts (over \$20,000) of commodities should be received in the Purchasing Department no later than six (6) weeks prior to the actual need. If the need involves labor, allow eight (8) weeks. It is suggested that each department maintain a list of current needs. If this list contains bid-type items, then suggested specifications must also be maintained. Cutoff dates will be established each year and announced by the Purchasing Department and/or the Vice President of Fiscal Affairs.

STANDARDS OF CONDUCT

- A. Statement of Policy: All purchasing policies and procedures used by Southeast Arkansas College are for the purpose of obtaining the highest quality materials and services at the lowest possible price. Arkansas Purchasing Laws and Regulations charge public employees with discharging their duties impartially to assure fair competitive access to governmental procurement by responsible contractors. Moreover, they should conduct themselves in such a manner as to foster public confidence in the integrity of both the State's and Southeast Arkansas College's procurement organization. In this regard, it is expected that vendors who do business with Southeast Arkansas College will observe the same ethical standards.
- B. Gratuities and Kickbacks:
 - a. **Gratuities**—It is a breach of ethical standards for any person to offer, give, or agree to give any employee of

Southeast Arkansas College or for any employee of Southeast Arkansas College 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 procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any preceding or application, request for ruling, determination, claim, or controversy, or other particular matter pertaining to any contract and any solicitation or proposal therefore.

- b. **Kickbacks**—It is a breach of ethical standards for any payment, gratuity, or offer of employment to be made by or on behalf of a contractor or any person associated as an inducement for the award of a contract or order.
- C. **Use of Confidential Information:** It is a breach of ethical standards for any employee to knowingly use confidential information for actual or anticipated personal gain or for the actual or anticipated personal gain of any other person.
- D. **Public Access to Purchasing Information:** Purchasing information is a public record to the extent provided for in the Arkansas Freedom of Information Act.

EQUIPMENT PURCHASES/INVENTORY PROCEDURES

Equipment is defined to be “all tangible property with a total unit cost of \$5,000 or more and a normal usage of two (2) years.” This is the general guideline for placing items on the school’s inventory; however, there are items that are considered to be high-pilferage items that need to be accounted for in the same manner as well as items purchased in groups (i.e. chairs, desks, etc. that have a relatively small cost individually but collectively need to be accounted for on an inventory).

When an item is capitalized, a tag number is assigned and placed on the item. At this point, the item is in the department that it was purchased for and becomes the responsibility of that department.

To remove an item from inventory, an Inventory Removal Form with all pertinent information (inventory tag number, model number, serial number, etc.) needs to be submitted to Facilities Management. If items are stolen, contact Facilities Management in a timely manner for the necessary paperwork. This is critical for audit purposes.

Equipment is not to be taken off campus without executive approval.