



Administrative Policies and Procedures

Procedure Number	Subject	Effective Date	Revised Date
PU-1.5.02	Procurement	07/01/2007	

I. Authority

Purchasing at Bainbridge College is a function of Procurement. Contracting of supplies, equipment, designated services, labor and professional service contracts has been delegated to the Procurement area by the Vice President for Business Affairs for the College, the Board of Regents, and the State of Georgia Department of Administrative Services, Statewide Business Services, State Purchasing.

II. Purpose

The purpose of this publication is to establish an understanding for all personnel of the College who may have responsibilities for procurement of equipment, materials, supplies, and services for the proper conduct of the department or office for which they are responsible.

The various policies relating to Purchasing that have been adopted by the College administration come from three sources and are based upon numerous laws that have been passed by the General Assembly.

The three sources for development of policy are:

- The Department of Administrative Services, Statewide Business Services, State Purchasing.

As the Central Purchasing Agency of the State, State Purchasing of Department of Administrative Services (DOAS) publishes and distributes to all State agencies all rules and regulations to control State purchasing.

- The Board of Regents of the University System of Georgia

As a unit of the University System of Georgia, the College must comply with any policy or procedure developed by the Regents Office.

- Bainbridge College



The College administration may develop policy that is unique to the College and not required by the State, if such policy is determined to be in the best interest of the College and is not contrary to law or other policy.

III. Sources of Policies

- State laws
- DOAS Rules & Regulations promulgated to enforce State laws
- The policies of the Board of Regents
- Findings of the State Audit Department
- Policies developed by Bainbridge College

IV. Responsibility

Procurement is responsible for the organization and administration of all procurement services of the College. In providing these services in accordance with sound business practices, Purchasing seeks the maximum value for every dollar expended.

Although the purchasing process should be a joint effort among the using department, Procurement Department and vendor, the Procurement Department must have the final authority to conduct and conclude negotiations concerning prices and conditions of sale. Institutional commitments shall be made by the Procurement Department in accordance with requisition/ordering procedures.

It is the policy of the College that Procurement shall be responsible for the procurement by purchase, lease or rental, of all materials, services, supplies and equipment required by the various departments of the College. This policy applies to all funds of the College, regardless of source, when deposited with the College and must be handled in accordance with College policy and State law.

This centralization of the Purchasing activities benefits the College in the following ways:

- Assures compliance with laws, rules, policies and audit recommendations.
- Definite economics resulting from the pooling of common requirements of the various departments.
- Better planning of the total purchase requirements of the College.



- Development of standard specifications for the common commodities purchased, resulting in more uniform quality and less variety of materials, supplies and equipment.
- Reduction of administrative costs for purchasing by precluding the necessity for multiple purchasing staffs, records, and procedures.
- More consistent acceptance of cash discounts by prompt handling of vendor's invoices.
- Better budgetary and financial control of departmental expenditures.
- Promotes development and use of qualified personnel through specialization in the purchasing function.
- Permits the establishment of uniform policies with respect to vendor/supplier relationships.
- Aids in obtaining and communicating uniform interpretations of policies and procedures established by State agencies.
- Assures equal access to purchase by small and minority vendors.

V. Objectives

Procurement has established specific objectives directed toward the improvement of the College's business position. These objectives are:

1. To develop and maintain a good working relationship with all campus departments through an understanding of their purpose and objectives.
2. To serve the campus community cheerfully and willingly and to be of assistance at all times.
3. To maintain good business relationships with all vendors for the good of the College.
4. To cooperate with all departments in effecting standardization objectives.
5. To maintain, with the assistance of all departments, optimum inventories consistent with cost and service objectives.
6. To obtain assistance from vendors in the application of improved materials and techniques.
7. To procure all material, equipment, supplies and designated services in proper quantities with delivery at such places and times as are required by departments in the best interest of the College.
8. To promote and maintain the good name of the College, conducting its affairs in an ethical, friendly, professional, and legal manner.
9. To fulfill all contractual obligations to the meaning and intentions of the contract.
10. To avoid all actual and potential conflicts of interest.



11. To avoid all appearances of special treatment toward any vendor or product.

VI. Responsibility for Approval of Purchases

The College budget establishes funds to be used for certain purposes under the authority of the designated budgetary head. These funds must be used within the prescribed budgetary limits. The budget head has the primary responsibility for approval of all requisitions to be charged against accounts under his/her administration. Only the Vice President for Business Affairs and the Buyer have authority to commit College funds and only their signatures are authorized to appear on contractual documents.

Purchases of \$5,000 or greater must have the approval of the Vice President of Business Affairs. Delegated purchases from \$5,000 to \$100,000 will be processed by Procurement. These purchases require bidding (see chart below). Purchases from mandatory sources or statewide contracts charged to Materials Management/Central Stores Reserve for the replenishing of stock do not require special approval. All approvals must be obtained prior to being forwarded to Procurement for processing.

PURCHASE VALUE	MINIMUM BIDS REQUIRED
*\$5,000 - \$9,999	3 bids (1 minority firms)
\$10,000 - \$49,999	5 bids (2 minority firms)
\$50,000 - \$100,000	7 bids (3 minority firms)

*Note: Splitting known needs into several requests in order to avoid the bidding process is against State and College Purchasing policy. If several requests are received for similar commodities, they will be combined and treated accordingly.

VII. Vendor Relations

The following guide to relationships of Procurement with vendors and suppliers doing business with the College is followed as closely as possible by Procurement:

- To consider, first, the interest of the College in all transactions, including consideration to the objectives and policies of the College.
- To strive to obtain the maximum value of each dollar of expenditure.



- To accord a prompt and courteous reception, so far as conditions will permit, to all who call on legitimate business missions.
- To grant all competitive bidders equal consideration; to regard each transaction on its own merits; to foster and promote fair, ethical and legal trade practices.
- To demand honesty in sales representations whether offered through the medium of an oral or written statement, an advertisement, or a sample of the product.
- To show consideration for the vendor's situation and cooperate with him whenever possible.
- To answer all vendor inquiries promptly.

VIII. Gifts and Gratuities

State statutes declare it to be unlawful for any employee to accept any rebate, gift, money or anything of value or any promise, obligation or contract for future reward or compensation from any person or firm to whom a purchase order or contract may be awarded. Any violation of the requirements or participation in the unlawful practice or practices outlined, by employees, shall be deemed a felony and shall be punishable by imprisonment for not less than one nor more than three years.

IX. Conflict of Interest

State statutes forbid any employee of the College to have a financial or personal interest, directly or indirectly, in the purchase or sale of any material, equipment or supplies or in any firm, corporation, partnership or association furnishing any such material, equipment or supplies to the Georgia State Government or any of its departments, institutions or agencies. Any violation of the requirements or participation in the unlawful practice or practices outlined, by employees of the College, shall be deemed a felony and shall be punishable by imprisonment for not less than one nor more than three years.

X. Purchases for Personal Use

State statutes declare it to be unlawful for any employee or official of the College to purchase, directly or indirectly, through Procurement or through any agency, material, equipment, supplies or other things of value for the personal or individual ownership of himself or other persons. Any violation of the requirements or participation in the unlawful practice or practices outlined, by employees of the College, shall be deemed a misdemeanor and punishable as such.

XI. Quality, Service and Price



Under the competitive bid system of Purchasing, all contracts or open market purchases shall in all cases be awarded to the lowest responsible bidder. The lowest bidder is deemed to be that bidder who submits a responsive bid which meets the specifications set out in the invitation to bid and which is most advantageous to the College, taking into account quality, performance and capacity to perform by the bidder; price of merchandise offered; transportation charges; and date of delivery. The lowest responsible bidder will not always be the bidder who has submitted the lowest monetary bid.

XII. Sales and Excise Tax

Bainbridge College is exempt from payment of Georgia Sales and Use Tax and Federal Excise Taxes when payment for goods and services is made from public funds. Purchases made using student fees (student activities fees) and Agency funds, for payment are subject to these taxes, whether they are made with or without benefit of official Purchase Order.

The following guidelines are for information only and are subject to Federal Internal Revenue Department interpretation.

State Taxes from Which the State is Exempt:

- State sales and use tax
- MARTA tax
- Local operation sales tax
- Special purpose tax
- Hotel/motel excise tax (with use of exemption form)

State Taxes from Which the State is Not Exempt:

- State motor fuel tax
- State scrap tire fee (new tires only)
- Second state motor fuel tax
- Hotel/motel sales tax
- GUST (Georgia Underground Storage Tank Act) except when bill is paid directly by Institution

Federal Taxes from Which the State is Exempt:

- Communications tax
- Special motor fuel tax (telephone & telegraph)



- Firearms and ammunition tax
- Heavy trucks, trailers, and tractor tax
- Sport fishing equipment tax
- Tire excise tax
- Non-commercial aviation
- Gasoline and Gasohol tax fuels (including LUST Tax)
- Fuels other than gasoline
- Diesel fuel tax including jet fuel (airports and airway trust fund tax)

Federal Taxes from Which the State is Not Exempt:

- Transportation of persons by air tax
- Certain ozone depleting chemicals tax
- Transportation of property by air tax
- Tax on coal
- Non-commercial aviation fuel tax
- Tax on vaccines
- Gas guzzler
- Superfund taxes on petroleum products

XIII. Taxes of Other States

Generally the College is not liable to pay state sales taxes of other states if the transaction is consummated in the State of Georgia. However, the College is liable to pay taxes of other states if the title passes in that state.

XIV. Agency Funds

Agency funds are not exempt from the payment of State and Federal taxes.

XV. Student Fees (Student Activity Fees)

Student fees (student activity fees) are not exempt from the payment of State and Federal taxes.

XVI. Hotel/Motel Tax

College employees performing official travel are exempt from taxes charged for hotel and motel rooms. Exemption forms can be downloaded from the Bainbridge College website. It is not uncommon for hotels and motels not to accept the Exemption form. If an employee is required by the hotel or motel to pay a room tax, the employee will be reimbursed for the amount of tax paid along with other official travel expenses.



XVII. U.S. Government Surplus

All purchases of U.S. Government Surplus Property shall be processed through Procurement. The rules and regulations of State Purchasing of DOAS states:

“When an eligible Institution or organization receives Surplus Property, it certifies that the property will be used in accordance with the covenants and agreements stated on the back of each issue document.”

All purchases made from Surplus Property must have a purchase order number at the time of pick up.

XVIII. Equipment Requiring Electrical or Other Utility Connections

Prior to the writing of specifications for electrical or mechanical equipment, or any equipment requiring the connection of other utilities such as natural gas, oxygen, or other industrial gases, availability of such utilities must be verified by Physical Plant.

Physical Plant cannot install or allow to be installed any equipment that has requirements for electrical service, plumbing, heating/cooling, ventilation, or other service without first verifying that adequate power or connections exist within a building, or that power or other required connections can be made available.

Physical Plant should be made aware of plans to purchase any equipment or fixture where the physical size or weight of the item may require structural modifications to doorways, floor or ceiling supports, or other architectural structure.

XIX. Maintenance and Service Agreements

Procurement shall keep current files on all maintenance and service agreements pertaining to office and mechanical equipment that is owned or leased by the College.

Procurement shall notify all departments that have equipment covered under maintenance or service contracts of a forthcoming expiration in a time frame that will allow departments to request renewal or cancellation of new agreements.

It shall be the responsibility of any department that acquires new equipment during any fiscal year to request the initial maintenance or



service agreement for such equipment at the time the manufacturers warranty expires. If there is any question as to the length of the manufacturers warranty for any given piece of equipment, Procurement will assist in ascertaining the date of expiration.

XX. Maintenance of Computing Hardware

Information Technology is responsible for and should be notified of computing hardware and all microcomputer equipment problems. Information Technology is responsible for assisting you in diagnosing and solving the problem. This policy is intended to provide one common contact for maintenance and repair of computing equipment.

XXI. Special Approvals

Several types of purchases require special handling and approvals prior to the submission of a purchase requisition to Procurement. These include the following:

- Advertising Vacant Positions in Newspapers, Journals, etc.

Signature and approval from the following:

- Director of Human Resources / Affirmative Action Officer
- Academic positions require the approval and signature of the Vice President for Academic Affairs
- Non-academic positions require the approval and signature of the Vice President for Business Affairs

- Purchase of Printed Materials

Requests for the purchase of printed materials that are to be distributed to the public and have any reference to Bainbridge College require the approval and signature of the Director of Communications and Development.

XXII. Purchase of Computer Hardware and Software

All purchase requisitions for computer hardware and software must be approved by the Director of Information Technology prior to being submitted to Procurement for purchasing.

XXIII. Motor Vehicle Requests



Motor vehicle purchases require special approval by State Purchasing of DOAS. For further information concerning this procedure contact Procurement.

XXIV. Emergency Purchases

Emergency purchase of materials or contractual services shall be requested by calling Procurement. Such purchases must be placed by, or with the prior approval of, Procurement. The following definition shall apply for the purpose of determining whether an emergency exists:

- Academic, research, or technical personnel are idle or unable to perform any significant activity due to equipment failure.
- Any situation involving materials, equipment or services that may seriously endanger the health, wealth, or safety of any individual(s).

In addition to the written requisition, a letter of justification detailing the circumstances of the emergency must be forwarded to Procurement.

The use of emergency purchases shall be carefully considered on a case by case basis by Procurement. Procurement shall be responsible for determining if a true emergency condition exists, based upon information provided by the requesting department. It should be remembered that the use of emergency purchases is not a back-up system for inadequate advance planning.

XXV. Departmental Purchase Request

This document is used at Bainbridge College for requisitioning the expenditure for all supplies, materials, equipment, services and contracts required for the operation of all areas of the College. Departmental Purchase Requests are requested by calling the Procurement Office. Questions on how to complete the form should be directed to the Procurement Office.

XXVI. The Purchasing Process

Upon receipt of the departmental purchase request by Procurement, it is processed according to the following:

- Mandatory Source



The most common identified and used items, mainly office type supplies, are stocked in the DOAS Central Supply Warehouse in Atlanta. Bainbridge College, in turn, operates our own Materials Management/Central Stores Supply. Any items stocked in Materials Management/Central Stores at Bainbridge should be requested from them using a departmental requisition form.

- State-Wide Contracts

The State Purchasing Department issues contracts for various items that are commonly used throughout the State but not stocked by DOAS Central Supply. If the items being requested are covered by one of the contracts, it will be routinely processed regardless of dollar amount. Purchases can be made from State-wide contracts using your Purchasing Card (P-Card).

- Department Purchase Request Total up to \$5,000

Requests not falling into one of the above categories, but less than \$5,000 in total amount (including shipping and handling) are not required to bid and will be routinely processed.

- Departmental Purchase Request Between \$5,001 - \$100,000

Requests not falling into one of the above categories and falling between these dollar amounts must be bid. The dollar amount determines how many bids are to be solicited for each request. Purchases under \$100,000 (regular bids) do not require sealed bids and may be taken informally via telephone quotes or in writing.

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XXVII. The Purchase Order

Upon completion of the purchasing procedure, a purchase order is created to cover supplies, materials, and equipment orders.



XVIII. The Professional Services Contract

When an individual or company's services are required on a one-time basis a professional services contract must be processed.

Examples of uses requiring a Professional Services Contract are:

- Architect
- Brochure/Pamphlet Design Services
- Interior Designers
- Consultants – any area
- Typesetting Services

The decision to solicit competitive proposals, quotations, or estimates must be based on the type service and the availability of service from more than one source. The department needing such services will consult with Procurement to determine the approach which is best.

All Service Contracts must have:

- A defined scope of work
- Specific cost
- Delivery specifications
- Penalty or cancellation clause
- Time limitations defined

No significant material may be included, only advice or design services.

The College has a delegated authority from the Board of Regents/Facilities Office for Professional Contracts (\$25,000) for Architectural/Engineering/Other related services; construction contracts under \$300,000. These types of contracts are handled through Physical Plant.

XXIX. Prepayments

With the exception of subscriptions and dues, it is State and College Policy that materials, equipment and services not be paid for in advance. If, however, freight and/or handling charges can be saved, or discounts can be taken, prepayments will be made if it is in the best interest of the College.

XXX. Petty Cash



Petty Cash funds may be authorized for College departments where there is a repetitive requirement for small dollar value transactions. These funds are issued by the Cashier only upon receipt of written authorization from the Department Head.

XXXI. Purchasing Card (P-Card)

Departments throughout the campus are utilizing the Purchasing Card. The P-Card is used to make small dollar value purchases via phone, fax, mail, internet, or over the counter purchases (locally). Merchant codes are built into the P-Card program for monitoring purchases.

Each individual is responsible for their own P-Card; maintaining a file of monthly receipts and reconciling to the new balance due each month using the P-Card Transaction form. A P-Card manual is given to each person who holds a P-Card.

XXXII. Prompt Payment of Invoices

By Executive Order issued by the Governor's Office on May 7, 1985, all State Agencies are to pay invoices within thirty (30) days.

When the normal process is followed, this Executive Order presents no problems. However occasionally invoices are not mailed directly to Procurement or Accounting as requested and end up with the end-user. If for any reason an invoice is mailed or sent to your department, please forward immediately to Accounting or Procurement so the purchase order can be validated and the invoice processed for payment.