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Bulldogs Buy it Better News
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Our goal in Procurement and Contracts is to ensure an **economic** and **efficient** procurement process that provides the end users with the products and services that are **needed** in a **timely** manner, while **complying** with the laws and policies of the state, IHL and the university.

I'd like to break this statement down and discuss what I feel are a few key issues.

Economic – This clearly means that we want to make sure we are paying the right price for goods and services. Competition is vital to the way we do business. It makes sure we get good prices for the quality level that will meet our needs. However, in addition to good prices, we must ensure that our process does not cost us money. When we spend staff time, paper, postage, printing, etc. to issue a requisition/purchase order/payment for a low dollar item, we are probably wasting money. This is why we continue to urge departments to use the P-card whenever possible. We will continue to look for more opportunities to open this process up so we can move away from spending \$75 in administrative cost to issue a \$10 purchase order.

Efficient – We need to continue to strive to make the process easy, quick, and smooth. One of the ways to do this is to create consistency. If everyone uses the same forms then everyone provides the same types of information, thus leading to fewer delays and/or rejections. For this reason we will continue to develop tools that departments can use to assist them in providing the right information to assist in

making the right decision. A list of those tools will be shown later in this newsletter.

Products and Services that are needed –

There is often a difference between what is truly needed and what is wanted. We ask all departments to constantly monitor their requests to be sure the specifications describe the true needs rather than one specific vendor's product or someone's wish list.

A timely manner – We never want to be the reason that a project doesn't get done on time and we hope to be able to work with the departments to ensure we don't have these types of problems. but....we have found the best way to avoid "timing" problems is good planning. If the departments will get us into the loop early on and keep us informed, we can often point out purchasing "gotchas" long before they become a problem. Yes, we know there are emergencies but we all must make sure that nobody can use the old saying "Your lack of planning does not constitute an emergency". Good communication and good planning is the key.

Compliance with laws and policies of the State, IHL and the University –

There are a vast number of laws and policies which we must be aware of and be in compliance with. We would hope the departments would never expect Procurement and Contracts to know the molecular structure of cotton. Likewise, we can't expect the departments to know every law and policy. Again communication is vital. We will try to give everyone the basics so that every day purchases will not be a problem, but please

work with us when you come across new and innovative “opportunities”. It is always easier to correct a problem before it occurs rather than afterward.

Available tools

Service Contract – The forms and instructions for our standard service contract can be seen at <http://www.procurement.msstate.edu/contracts/services.php>. This agreement has been reviewed by our legal team and therefore, in most cases, will be quick and easy for us to approve. Whenever there are deviations from the standard agreement or the vendor requires use of their own agreement, delays are inevitable. Remember, there are very few people on campus with authority to sign a contract. If you don't know for sure, don't sign it.

Exemption from state contract

<http://www.procurement.msstate.edu/forms/statecontractexemption.xls>. This form is to be used if there is adequate justification for purchasing an item other than the one that is available on state contract. Reasons may include obtaining a price that is significantly better than the state contract price or having a unique need that can not be met by the state contract item. The form is designed to ask the pertinent questions to determine the adequacy of the justification. Remember, the person making the decision is not in your office and does not know the background. You will need to provide enough information so that an average person with no prior knowledge would come to the same conclusion. Remember, if you have a bad experience with any state contract item, it should immediately be brought to the attention of the vendor and P&C. The state contract items have been evaluated by a number of agencies and have been determined to meet the needs of the majority of state agencies and institutions. If you receive an inferior product it is probably a bad batch or the vendor may be shipping the wrong product. Don't wait until

you want to order again and then say “don't buy that junk”. Let's give the vendor the opportunity to correct the problem before we throw the vendor and the product in the trash can.

Single source

<http://www.procurement.msstate.edu/forms/sole-sourceapproval.xls> This form is to be used if there is only one item that can meet the needs of the department and there is only one supplier of the item. Again, the form provides the questions that should be answered, in detail, so that the decision makers can clearly see why we must by-pass the statutory requirements of the competitive process. “Yes” and “No answers to the questions will most likely invite a rejection and delays in the process. “Because they are the only ones in the area” and “because they are the lowest price I could find” are other “reasons” that will be rejected. If your justification was printed on the front page of the newspaper, what would be the reaction of the everyday tax payer? Provide enough information that there will be no question.

Emergency approval form

<http://www.procurement.msstate.edu/forms/emergencyapproval.xls> This form is to be used when there is a true emergency situation that requires by-passing the statutory requirements for competition. Once again, telling the complete story will aid in this process.

Approval for research

<http://www.procurement.msstate.edu/forms/researchapproval.xls> This form is to be used when a product is required for research purposes and no other product will meet the needs of the research. A good description of the research project and how the product is being used will aid in the approval process.

Request for payment for association dues or fees

<http://www.procurement.msstate.edu/forms/dues.pdf> The Attorney General has determined that there are certain occasions when it is acceptable for MSU to pay association dues or fees. Completion of this form will ensure that the department and MSU are in full compliance with the guidelines.

Request for payment for speaker fees

<http://www.procurement.msstate.edu/forms/speakerfees.pdf> Any time a speaker is to be paid in excess of \$2,000 this form must be completed and submitted to P&C with the contract.

Food purchase form

<http://www.procurement.msstate.edu/forms/foodpurchase.pdf> Any time we are purchasing food for individuals or a group this form must be completed. Once again, this process ensures that we have the appropriate information to substantiate the expenditure.

Hotel Charges form

<http://www.procurement.msstate.edu/procard/forms/hotelcharges.pdf> Any time we are purchasing rooms for individuals or a group this form must be completed. Once again, this process ensures that we have the appropriate information to substantiate the expenditure.

Mandatory Addendum

<http://www.procurement.msstate.edu/contracts/mandatoryaddendum.pdf> Any time a vendor will not accept our standard service contract we require that this addendum be made a part of the contract. The addendum has been reviewed by our legal team and ensures compliance with the laws and policies of the State and the Institution.

Rental agreement for equipment

http://www.procurement.msstate.edu/contracts/equipment_rental.pdf This contract can be used when renting equipment. While it was

specifically designed for the rental of copiers, it can be adapted to other types of equipment by including an addendum. Once again, it contains all of the clauses and protections which we require.

Vehicle Request

<http://www.procurement.msstate.edu/forms/VRForm.pdf>. This form must be completed when requesting to purchase a vehicle. The form should provide enough information so that an auditor or anyone else will see the need for the specific vehicle being requested. Departments are urged to review the entire Fleet Management Guidelines and Procedures manual prior to making a vehicle purchase decision. It is vital that the departments have an appropriate vehicle to meet the needs of the University. It is just as vital that we do not purchase vehicles that would be considered excessive. The public's perception of our stewardship of their tax dollars is based upon what they see on a day to day basis. If they see a full size vehicle or a van with MSU on the side, with only one or two people in it, they may perceive this to be wasteful spending. If they see a 4-door, ¾ ton pickup, with one person and no trailer, they may perceive this to be wasteful spending.

Copier/Printer cost evaluation tool

<http://www.procurement.msstate.edu/forms/CopierPrinterRequestForm.xls>. This is an interactive tool that allows the department to evaluate the true costs of a copier or a printer. The lowest monthly cost is not always the best answer if you lose the saving by purchasing excessive supplies. Departments would be wise to review the true cost per print/copy on their various machines and direct more of the workload to the lower cost machines. Black and white copies/prints can run from less than 1 cent to over 5 cents a copy. Color can run from 5 cents up to 25 cents. While saving 4 or 5 cents may not seem like much, when you look at all of the machines in the department, and all of the

copies that are run, pretty soon there is significant saving potential.

Fleet Management Guidelines and Procedures

<http://www.procurement.msstate.edu/links/FleetManagementGuidelines.pdf>. This document provides guidance on the acquisition, use, maintenance and disposal of vehicles at MSU. Everyone responsible for purchasing, renting, maintaining, driving or riding in an MSU vehicle should review the document and be aware of the guidelines.

Contracting Procedures Memo and Guidelines

<http://www.procurement.msstate.edu/contracts/ContractManagementChanges.pdf>. This is a memo that was sent out in May with a copy of our new contracting procedures. Anyone dealing with contracts should review these documents. Certain new employees should also be made aware of these documents.

Purchasing Procedures

All employees should be reminded of the following policy

Official Policy Statement

Procurement and Contracts has the sole authority to order supplies, materials, and equipment, and to obligate the University for contractual services with the exception of books purchased by the Library and merchandise purchased for resale by the Bookstore. Without definite and particular permission of Procurement & Contracts, no University department may order directly by letter, telephone, telegraph, or in any other manner. The University will assume no obligations except on previously issued and duly authorized purchase orders or goods and services procured utilizing the procurement card system.

Service to the University – As stated previously we desire to provide a valuable service to the various departments of the University. One way we can do this is to respond promptly to all calls and emails. It is our goal to respond to all phone calls and emails within 4 working hours. While we may not be able to answer the question or solve the problem that fast, we will at least let you know that your concern has been noted, we are working on it and we will respond as soon as we have an answer. It is always possible that the person you are trying to reach is out of the office so, if you don't get a response within 4 hours, please send an email to Judy Shaw at Jshaw@procurement.msstate.edu, Judy will forward the issue to an appropriate individual who will contact you promptly.

Suggestions?

It is our sincere desire to help all of the departments in their efforts to acquire the goods and services which are needed for our University to prosper, while ensuring compliance with the laws and policies and maximizing the use of the available resources. If anyone has suggestions that would help us do a better job, please let us know. We are open to suggestions as we continually seek out more economical and efficient ways to do business.