Hello and welcome to Purchasing 101. Here we will present you with some basic information to keep in mind as you make purchases at The University of Southern Mississippi.

Here at USM we utilize 3 primary purchasing methods. The Procurement Card, Remittance Voucher, and Requisition/Purchase Order. More information on each of these methods will be presented throughout this presentation as well as can be located on our website.

The Procurement Card, or p-card as it is commonly known, functions much like any major credit card. Each department budget authority will determine who receives or has access to a p-card. These individuals will then go through a training with Rayonne Grant, the p-card administrator, before access to make purchases is granted. Once access is granted, this method can be used for most all purchases totaling less than $5,000, but do keep in mind these cards are to be used only for official USM business. There are a few items that cannot be purchased on the p-card. Items that fall over the $5,000 threshold or any equipment item must be purchased through the requisition/purchase order method; while any travel costs should be directed to the Travel Office. For questions about other items being purchased and whether the procurement card can be used please take a look at the Pcard Manual located on our website.

Remittance vouchers are the most limited in use of the purchasing methods. Things like employee reimbursements, payments to independent contractors or employee moving expenses may all be paid via remittance voucher. For questions regarding this method, please reach out to Sandra Howard in Procurement and Contract Services.

The requisition and purchase order are the most widely used method for making purchases at USM. Purchasing regulations do apply when utilizing this method, and we will discuss those methods a little later, but as long as you follow the rules there is no limit to the purchases which can be made via req and PO. Do keep in mind that when you wish to use this method, the PO will need to be obtained before making the purchase as the purchase order is what
obligates USM to pay for the purchase! For questions on this method, contact Deidre Edwards or Jessica Whitten.

SLIDE 6 – QUOTE AND BID REQUIREMENTS

Probably the biggest regulation on purchases at USM, and when using the requisition/purchase order method, are the dollar amounts. For commodity purchases at Southern Miss, the following apply:

Items with a total of $5,000 and under – only one quote is required and any vendor may be used.

Items with a total of $5,000.01 to $50,000 – Two formal, written quotes are required before PO will be issued.

Items with a total of $50,000.01 and above – These items must go through the formal bid process. This process involves, preparing written specifications, advertisement in the local newspaper as well as electronically, and holding a public bid opening. The timeline for this process will be dependent on the items being purchased, but most of the time will take at least a month. So, if you feel your item must be bid, please go ahead and reach out to Deidre or Jessica in the beginning and they will be happy to assist you on your journey as we do not want any mishaps such as the next slide happening along the way.

SLIDE 7 – MOAT JOKE

As you can see from the picture, if a bid package is improperly prepared and specs are not detailed enough, you might just end up with a moat inside your castle.

SLIDE 8 – SOLE SOURCE PURCHASES

Every now and then you will run into an instance where you need to purchase an item over $5,000, but there is only one supplier thus a second quote cannot be obtained. In this instance, we will need to treat the item as a Sole Source and a process very similar to the formal bid process will need to be enacted. If you suspect you have a sole source item, please contact Procurement & Contract Services and they will assist in that determination as well as point you in the right direction to get this purchase made.
SLIDE 9 – STATE CONTRACT PURCHASES

The State of Mississippi will at times conduct bid or negotiations of its own on certain items. The results of these processes are State Contracts. Furniture, vehicles, copiers, technology and janitorial supplies are just a few of the frequently used contracts. If an item you are wishing to purchase is located on a state contract, then this item is exempt from the quote and bid requirements and may be purchased from the state contract vendor at the stated contract price. A list of state contracts is located on the MS Office of Purchasing, Travel and Fleet Management website, and there is a link to this page on the USM Procurement website.

SLIDE 10 – COMPUTER PURCHASES

If your office or department needs to purchase a new computer, you will need to reach out to iTech as they handle all of these purchases. Send an email to computer.orders@usm.edu or visit the USM iTech website for more information.

SLIDE 11 – EQUIPMENT PURCHASES

The University of Southern Mississippi is required by the State of Mississippi to keep account of all inventoried items. For this reason, all equipment or taggable items must be purchased through the requisition/purchase order method. This method allows Property Control to keep record of items which have been purchased so they can tag them once they arrive on USM’s campus. Do keep in mind that USM does undergo frequent state inventory audits, and that if during an audit an item is found to be missing, the person assigned to that item will be held personally responsible for said items. So, bottom line – KEEP UP WITH EQUIPMENT/INVENTORY ITEMS!

SLIDE 12 – EQUIPMENT PURCHASES

Due to the requirement for all equipment items to be tagged and kept account of by USM, no equipment shall be purchased via personal funds. There will be no reimbursement for these items should they be purchased via personal funding. This is USM policy and is stated as such on the Procurement and Contract Services website:

The State of Mississippi and the University of Southern Mississippi require the purchase of computers and other equipment to follow a specific set of policies and guidelines for technology/computers, and equipment. For this reason, faculty/staff that purchase computers or equipment with personal funds without Procurement’s prior permission cannot be reimbursed. If a requisition or remittance voucher is submitted to reimburse a USM faculty or staff member who purchased a computer or equipment with personal funds, the requisition or
remittance voucher will be canceled. In addition, intended University purchases shall not be shipped to any personal home or other off-campus site, and are prohibited without prior written approval from Procurement & Contract Services. Such purchases made with personal funds will also not be reimbursed or allowed.

SLIDE 13 – EQUIPMENT PURCHASES

So just what constitutes an item falling under the equipment rules. Generally, this will apply to items over $1,000, but there are a few exceptions to the $1,000 rule. The following are all considered equipment and must be tagged:

- 2-Way Radios – Any Cost
- TVs/Video Monitors – Over $250
- Vehicles – Any Cost
- Cameras/Camera Equipment – Over $250
- Weapons – Any Cost
- Welding Machines – Any Cost
- Generators – Any Cost
- Computers, Laptops, Tablets, & Hard Drives – Any Cost
- iPods – Over $250

For more information on what items are considered equipment and the tagging guidelines, please visit the Property section on the Procurement and Contract Services website.

SLIDE 14 – FLEET MANAGEMENT

University vehicles are also considered when inventorying items, and this does not apply to simply cars and trucks, but also to golf carts, bicycles, mules, gators, camels, horses or basically any item that can be used as transportation. If your department utilizes these items, please familiarize yourself with the Fleet Management Policy Manual which is located on the Procurement and Contract website. Your department will also need to have a vehicle use agreement on file for each person who is authorized to utilize the vehicles and this form should be updated annually and kept on file with the department’s Vehicle Administrator. As always, if you have questions about vehicles or their purchases please contact us and we will be happy to assist.

SLIDE 15 – CONTRACT SIGNATURE AUTHORITY
With a lot of the purchases you will make while at USM there will be terms and conditions or a contract involved. Please make a note, then make another note, that there are only a select few individuals who are authorized to sign agreements on behalf of the university. This applies to any document that obligates USM, for instance contracts, agreements, terms and conditions of use, basically anything that says by signing we are bound by certain items. Those authorized to sign agreements have been granted so in writing by the university President and include the President, the Provost, the VP of Research, the VP of Finance and Administration and the Director of Procurement and Contract Services. Outside of these individuals, no one should be signing documents on behalf of USM and there are consequences up to termination for those found to be in violation.

SLIDE 16 – TRAVEL

As we wind down our presentation on purchasing at USM, we want to touch on one last area – Travel. Travel and associated purchases are numerous and are heavily regulated. Still if you will keep a few things in mind as you prepare for your trip, then all should be smooth sailing. First, all employee travel must be on a travel voucher, and cannot be placed on a pcard or PO. Student travel is permitted via the PO, but not the pcard. No travel, regardless of who is traveling may be placed on pcard. A signed permission to travel must be on file in the Travel Office before any travel may take place or before a PO will be issued. In order to avoid any potential issues, we suggest familiarizing yourself with the Travel website as well as with Jo and Miriam in the Travel Office. Also, keep your eye on the USM Mailout as this is oftentimes where new guidelines for travel will be posted. If you do run into any problems or have any questions, feel free to reach out to Travel and they will be happy to help.

SLIDE 17 – QUESTIONS

Thank you for taking the time to watch our Purchasing 101 presentation. We hope this will assist you as you make purchases during your time at USM. However, should you have any questions arise after watching this or during a purchase, let us know and we will do our best to assist. We look forward to working with you and SOUTHERN MISS TO THE TOP!