**Mississippi Valley State University Policies & Procedures for Services**



Office of Purchasing and Procurement

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**Purpose**

The purpose of this document is to provide general information to all entities of the processes and procedures associated with all contracts at Mississippi Valley State University (MVSU).

# General Information

MVSU is regulated by the Office of Purchasing Travel and Fleet Management, Mississippi Information Technology System and the Institutions of Higher Learning as per MS Code Section 31 Chapter 7.

A contract is an agreement between two or more parties creating obligations that are enforceable or otherwise recognizable by law. All documents to be executed on behalf of MVSU which will result in a "contract" between MVSU and a vendor, must contain terms and conditions that are consistent with all applicable state laws, MVSU policies, and Board of Trustees policies.

All contracts, agreements, memorandums, etc., or any other obligations or commitments to which MVSU will be held, shall be entered into only after a fully executed contract has been approved and signed.

All contracts must be signed by the University’s President or his designee.

Purchase orders must be processed before services can be provided.

# Standard Service Contract and Procedures

In an effort to reduce the amount of time to execute contracts at Mississippi Valley State University, we have developed the MVSU Standard Services Contract. The Standard Services Contract can be used for all contractual services agreements regardless of the amount. This standard contract has been approved by the Universities Division of the State Attorney General’s Office and will require utilizing the Contract Review Form for the Standard Services Contract. Although it is encouraged to obtain two (2) quotes, they are not required for services. If quotes are obtained, they must be on official letterhead which should include:

* Name of Company
* Address
* City, State, Zip Code
* Telephone number
* E-mail address

All quotations must be submitted to the Purchasing Office either by hand delivery, electronically, or attached directly to the contract. If quotations are hand-delivered, they must bear the signature of the vendor. However, if quotations are submitted electronically, the vendor’s signature is not required. Quotations attached to the contract must be signed by the vendor. The contract will be awarded to the vendor offering the lowest competitive quote, provided that all contract execution requirements have been fulfilled. For vendors who are new to the university, the requesting department should consult the Vendor Contracts section of this document for the necessary guidelines and required forms.

Following the execution of the service contract and issuance of the purchase order, it is the responsibility of the area department head to ensure that the contracted services have been provided satisfactorily and that all terms of the agreement have been met. To initiate payment to the vendor, the receiving report must also be signed by the department head. Receiving reports will be obtained by the department from the Property & Accountability Department. By signing this form, the department head confirms that all services specified in the contract have been delivered by the vendor. Receiving reports are generated by the Purchasing Office upon request from the Property & Accountability Department.

# Vendor Contracts

When obtaining service contracts, the following procedures should be followed in obtaining contract approval.

The requesting department should present the following forms to new vendors for completion.

These forms are required from vendors for services performed at MVSU.

* [New Vendor Application](https://www.mvsu.edu/sites/default/files/MVSU_New_Vendor_Application_2.pdf)
* [W-9](https://www.mvsu.edu/sites/default/files/W9-BLANK.pdf)
* [Federal Debarment Form](https://www.mvsu.edu/sites/default/files/MVSU_Federal_Debarment_Certification_Letter.pdf)
* [Conflict of Interest Form](https://www.mvsu.edu/sites/default/files/MVSU_Conflict_of_Interest_Form_3.pdf)
* Insurance Certification (must be provided by a vendor that will perform services at MVSU. The insurance coverage should be $1,000,000.

All completed New Vendor Applications and W-9 forms should be submitted to the Purchasing Office to enter into the Banner System. The Conflict of Interest and Federal Debarment forms will be reviewed, signed, and filed in the Office of Purchasing. In the event additional information is needed, the Purchasing Office will contact the requesting department.

The requesting department will initiate the process for the[Contract Review Form](C://Users/ctwilliams/Documents/Contract%20Review%20Form%2023.pdf)for all service contracts.

The following steps should be followed to obtain contract approval:

* Complete the applicable information on the Contract Review Form
* Attach the vendor’s contract or agreement (include scope of work, terms, price, etc.)
* Obtain required signatures on the Contract Review Form

o Contract Administrator

o Department Head

o Area Executive Cabinet Member

o Director of Sponsored Programs/Title III (if required)

o VP for Information Technology (If required)

o Director of Purchasing & Procurement

o Vice President for Business & Finance

* Once the President’s Office has received the contract and the Contract Review Form, the President’s Office sends the contract to the legal office for vetting and approval. After the legal office vets and approves the contract, the attorney signs the Contract Review Form.
* Once the legal office signs the Contract Review Form, the University President or his designee reviews and signs the Contract Review Form and the contract/agreement.
* The Office of the President emails the fully executed agreement to the Contract Administrator and the Office of Business and Finance. Once the Contract Administrator receives the fully executed contract, an online requisition should be generated. The Office of Business and Finance forwards the fully executed contract to the Purchasing Office.
* Requisition will go through queue-level approvals.
* Purchase Order processed.

**Professional Services Thresholds**

Effective March 1, 2024, all services utilizing **State** funds will have thresholds from $.0.01 to $75,000 without competitive competition. Services over $75,000 up to $250,000 requires two (2) competitive and comparable quotes. Services over $250,000 must go through the advertising and bid process and inclusion on the IHL Board agenda for approval.

Effective July 1, 2024, services utilizing **Federal** funds will have thresholds from $0.01 to $50,000. These services will be exempted from the competitive procurement process provided the recipient distributes services equitably among qualified suppliers to the extent “practicable” and the prices are reasonable. [2 CFR § 200.320 - Methods of procurement to be followed.](https://www.law.cornell.edu/cfr/text/2/200.320)

**Selection/Criteria for Services**

The requesting departments should adhere to the following selection/criteria when choosing vendors for services.

* Requestor should make sure the vendor has a proven track record for delivering high-quality services and maintaining positive relationships with previous clients.
* Vendors must possess the necessary expertise, qualifications, and certifications relevant to the services being procured.
* Requestor should secure previous client references and thoroughly evaluate them to assess the vendor’s performance and reliability.
* Vendors must comply with all legal and regulatory requirements applicable to the services they provide.
* Vendors must comply with appropriate insurance coverage to protect against potential risks and liabilities associated with the contractual services.

**Construction vs Services**

Construction shall mean the process of building, altering, improving, renovating or demolishing a public structure, public building, or other public real property. It does not include routine operation, routine repair or regularly scheduled maintenance of existing public structures, public buildings or other public real property.

As per Section 31-7-13, Mississippi Code of 1972, Annotated, “construction” falls under the bid laws. The question is, where does “routine repair” end and “construction” begin? In general, it is considered construction if it would add to, restore, or reduce the value of a property.

“Add to” would indicate an addition to or an improvement to the property. This would include such projects as the construction of a new building or road, the construction of an additional office to an existing building, or the installation of a new air conditioning system into an existing building. “Restore” would indicate a situation where a building or road had depreciated significantly, and the project was intended to bring the property back to its original value. “Reduced” would indicate demolition of the property.

In addition, there are other “projects” which fall under the term “construction” which would not necessarily follow the definition shown above. Routine maintenance to retain value and/or function would not be considered construction, and. Therefore, would not require compliance with the public purchasing laws. However, non-routine maintenance to restore value as opposed to retain value would be considered “construction” and would fall under the public bid laws. There, it is important to establish and maintain schedules on all property to retain the value and not allow property to depreciate.

If the funding source is from a budget line marked “Capital Outlay” then the project is considered construction, and it should be bid out if it exceeds the $75,000 threshold.

**Examples of when a bid is required.**

(1) Pouring of concrete to add a parking area would be considered construction and

should be bid if the threshold exceeds $75,000.

(2) Adding new pipes to an existing structure to provide water to a new part of

the building would be considered construction and should be bid out if the threshold

exceeds $75,000.

(3) Painting of a building on a routine basis would not necessarily be considered

construction since you would be retaining the value of the building. This would be

considered a contractual service and would not necessarily require bidding. If,

however, you purchased paint and hired a painter, you would need to follow the

statutory procedures for purchasing of the paint. If there was not a maintenance

schedule, this project would appear to be an effort to restore the value and should be

considered as a construction project and compliance with the bid laws would be

required.

(4) Demolition of existing walls and replacement with new walls would not be

considered routine maintenance. The “renovations” would have an impact upon the value of the building; this would be considered construction. Since it is not routine maintenance, it must be construction. In this case, it may be better to be safe than

sorry; put it out for bids if the project is over the $75,000 threshold.

# MVSU’S Standard Terms and Conditions Addendum

The MVSU Standard Terms and Conditions Addendum is required as a part of the vendor’s contract. However, in the event the contractor/vendor refuses or wants to modify the Addendum, the Office of the President will notify the legal office, and the legal office will negotiate with the vendor. Once the legal office and the vendor agree on terms of the Contract and the Addendum, the legal office will sign the Contract Review Form and send it to the Office of the President. Once the Office of the President signs the Contract Review Form, the edited Contract, the Addendum, and Contract Review Form are signed by the University President or his designee.

# IHL Board Approval

All Service Contracts over $250,000 require IHL Board approval. The same procedure should be followed as all other contracts from the *Vendor Contract* section of these policies. These contracts should be submitted to the President's office for inclusion on the IHL Board agenda.

# Other Contracts (Bookstore, food service, or athletic concessions)

IHL Board approval is required for all bookstore, food service, or athletic concession contracts that are projected to generate aggregate total revenues of more than $250,000 or if the term of such contract exceeds four years (707.01 E). When submitting a contract requiring IHL Board approval, the requesting department should submit the proposed contract and forms to the President’s Office. The Office of the President and legal will review the documents and submit them to IHL for inclusion on the IHL Board agenda.

**Lease of land, office space.** All leases of land and office space require approval from the IHL Commissioner (up to $100,000) or the IHL Board (over $100,000). Any department that anticipates entering into a new lease or renewing an existing lease should endeavor to complete the request at least three months in advance of the start date.

# Information Technology Service Contracts

All service contracts related to Information Technology must be signed by the Chief Information Officer/IT Director prior to contract approval. The approval for the service contracts signatures process requires the same process as outlined in the *Vendor* *Contract* section of these policies.

IT Contracts less than $5,000 do not require advertising or written quotes for Information Technology services rendered.

Contracts over $5,000 to $75,000 for ITS services require two competitive quotes from two different vendors. The vendors selected must be obtained from the Express Product List (EPL). The statue Rule 208.2: 015-020 for Procurement Limits Policies. Pages 134-142 of the ITS Procurement Handbook.

Services over $75,000 to $250,000 for ITS require ITS approval: CP-1 in MAGIC. Advertising and receipt of competitive bids are required by law. The following steps should be used for the formal bidding process:

* The Area Vice President will initiate the MITS Competitive Procurement Form
* Submit the MITS Competitive Procurement to the President’s Office for the President and or his designee’s signature.
* The Office of Purchasing will submit the Competitive Procurement Form to ITS’s workflow.
* The area Vice President will communicate with ITS pertaining to the service they are requesting.
* The area Vice President will receive the CP1 from ITS
* The area Vice President will notify the requester/end user of the approval.

Information Technology service contracts over $250,000 require formal bidding. MITS and IHL Board approval is required also. ITS will negotiate a contract on behalf of IHL.

Departments should be knowledgeable of the [information related to IT Procurement a](https://www.mvsu.edu/sites/default/files/MVSU_IT_Software_Procurement_Procedures_101.pdf)nd they should work closely with the Department of Information Technology for understanding and clarity.

[**MVSU Life Cycle Analysis Form**](https://www.mvsu.edu/sites/default/files/2016_MVSU_Lifecycle_Analysis_Form_2.pdf)

The MVSU Lifecycle Analysis Form should be used when submitting contracts to Purchasing unless an alternate process has been established. The Form should be completed as follows:

|  |  |
| --- | --- |
| ● | Department – The department requesting the equipment and or services |
| ● | Primary Requestor – The individual at the Department with knowledge of the needs and goals of the agreement |
| ● | Phone number – The phone number of the Primary requestor |
| ● | Description of Project/Software/Equipment/Services |
| ● | Anticipated Term of the project (years) |
| ● | Total Estimated Initial Cost: |
| ● | Total Annual Cost: |
| ● | Total Annual Maintenance Cost |
| ● | Total Estimated Life Cycle cost (LCC) |

# Mississippi Ethic Law: Sections 25-4-3; 25-4-103 Definitions

Any director, supervisor, chief, head, agent or employee of the government or any agency thereof, or of any public entity created by or under the laws of the state of Mississippi or created by an agency or governmental entity thereof, any of which is funded by public funds or which expends, authorizes or recommends the use of public funds; or any individual who receives a salary, per diem or expenses paid in whole or in part out of funds authorized to be expended by the government. The following examples could be violations:

(q) “Relative” means”

(i) The spouse of the public servant: ii) The child of the public servant.

1. The parent of the public servant.
2. The sibling of the public servant.
3. The spouse of any of the relatives of the public servant

Any individual within the contracting department contracting for an outside company to perform work within that department must disclose it by completing a conflict-of-interest form located on the MVSU Purchasing website and given to the purchasing department for evaluations. You may refer to contracts for the link for the Conflict-of-Interest Form.

You may refer to Mississippi Ethic Law for additional information in Sections 25-4-3 and 25-4103.

**Hotel Contracts**

All hotel contracts will continue to go through the contract management process. Effective March 1, 2024, the Purchasing Director is authorized to sign as the delegate on the Contract Review Form, provided that the hotel contract includes the signed, unedited MVSU Standard Terms and Conditions Addendum. This authorization eliminates the need for review and approval by the IHL Attorney. If the Addendum is edited by the vendor, the IHL Attorney will review and sign the Contract Review Forms once the terms are negotiated.