

NICHOLLS STATE UNIVERSITY

PURCHASING MANUAL

INCLUDING:

PURCHASING PROCEDURES

PROFESSIONAL SERVICE CONTRACTS

RISK MANAGEMENT – INSURANCE

PROPERTY CONTROL

AND

UNIVERSITY KEY PROCEDURES

**NICHOLLS STATE UNIVERSITY
THIBODAUX, LOUISIANA**

PURCHASING DEFINITION

**Purchasing is the technique of securing the
Proper requirement, at the time needed,
For the lowest cost,
And from a reliable source**

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AUTHORITY FOR PROCUREMENT

1.1

The Purchasing Department is a division of the University Finance and Administration area under direct supervision of the Assistant Vice President for Administration. Only this department has authority to take competitive bids and issue official University Purchase Orders.

RESPONSIBILITY AND OBJECTIVES

1.2

The Purchasing Department organizes and administers the centralized purchasing services for all departments of the University in accordance with sound business practices. The department seeks the maximum value for every dollar expended.

To achieve this goal, the Purchasing Department has been charged with the responsibility for the following:

1. Securing competitive bids to obtain maximum value from University funds.
2. Maintaining liaison with the vendors who service the University.
3. Coordinating the procurement of goods and services for the academic, administrative, and research departments of the University.
4. Developing sources to assure that University departments have an adequate number of vendors from which to obtain supplies, equipment and services.

AUTHORIZED PURCHASES

1.3

Most purchases, regardless of funding sources, are governed by the policies outlined in this manual.

The basic policy is to obtain all supplies, equipment and services at the lowest cost to the University consistent with quantity, quality and availability at the time of purchase. In conforming to this policy, the cost of the purchase and the delivery time required by the using department will be considered. Competitive bids must be solicited according to the policies outlined in this manual.

OPERATING BUDGET

1.4

Each University department is allocated funds annually from the approved University Operating Budget and is expected to operate on these funds. Budget items of primary concern to the Purchasing Department are the following:

1. Operating Services – Labor charges for services performed in connection with repairs, rentals, printing, utilities, freight dues, subscriptions, etc.
2. Materials and Supplies – Any consumable item.

3. Equipment – A non-consumable or nonrecurring item costing \$1,000 or more and having a useful life expectancy of more than a year and which in private industry would be set up in a Capitol Equipment Account and depreciated over a period of years.

All purchasing functions of the University are performed in accordance with the provisions of R.S. 39:1596 (the Louisiana Procurement Code), delegated authority by the Commissioner of Administration and Executive Order BJ2010-16 dated August 27, 2010. The University has been given delegated authority to take bids and purchase without going through State Purchasing in Baton Rouge.

GIFTS AND GRATUITIES

1.5

Personnel of the Purchasing Department and related departments must decline personal gifts or gratuities in connection with the purchasing function. Purchasing Department staff may not accept personal gifts or gratuities from any current or potential supplier of goods or services to the University.

CONFLICT OF INTEREST

1.6

1. Economic Interests of a State Employee – No state employee shall participate in a transaction involving the state in which he has a personal substantial economic interest, as distinguished from a general class or general group of persons, of which he may reasonably be expected to know.
2. Economic Interest of Persons in which a State Employee Has an Interest – No state Employee shall participate in a transaction involving the state in the consequence of which, to his actual knowledge, any of the following persons has a direct substantial economic interest, as distinguished from a general class or general group of persons:
 - a. His spouse or child; or
 - b. Any person in which he has an economic interest of which he may reasonably be expected to know; or
 - c. Any person of which he is an officer, director, trustee, partner or employee; or
 - d. Any person with whom he is negotiating or has an arrangement concerning prospective employment; or
 - e. Any person who is a party to an existing contract with such state employee or an obligee of such state employee as to a thing of economic value and who, by reason thereof, is in a position to affect directly such employee's economic interest.

3. Disqualification – Every state employee shall disqualify himself from participating in a transaction involving the state when a violation of this part otherwise would result. The procedures for such disqualification shall be established by regulations issued pursuant to R.S. 42: 1119.

EXECUTIVE ORDER BJ2010-16

1.7

The regulations set forth by the Governors Executive Order BJ2010-16 that governs small purchases is contained in the Nicholls State University Purchasing Procedures provided in this manual. Actual Executive Order may be obtained from the Louisiana State Purchasing Website Legal Information section at www.state.la.us/osp

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Fund Sources

2.1

All funds deposited with the University, regardless of source, must be handled in accordance with University policy and State regulations. Although departments are allocated funds in their budget for a given period, this allocation is only an authority to requisition, not to purchase.

Account Numbers

2.2

Each department is assigned an account number by the Controller's Office. All requisitions must carry the complete number of the account to be charged.

Agency Accounts

2.3

Purchasing for agency accounts is accomplished in accordance with regular University practices and procedures. In addition, any other requirement imposed by the terms of a grant or contract must be met.

Requisition to purchase

2.4

Only persons officially designated shall have authority to issue requisitions.

For property control, the purchasing function (including issuing requisitions and approving invoices) resides with the department head. The prompt processing of all work is the responsibility of the department head or director.

All requests for outside purchases, regardless of the sources of funds, must be processed through the Purchasing Department on a Requisition form entered into the Banner system. See Item 3.6 for the definition of Specifications. See Banner manual for reference to entering requisitions.

Requisitions

2.5

A properly executed purchase requisition for under **\$5,000** or commodities covered by a state contract (See Item 5.2) may be submitted to the Purchasing Department through the Banner system, and a Purchase Order will be issued when all appropriate requisition approvals are received. See Banner manual for information regarding how to enter a requisition.

Request For Competitive Bids

2.6

The following procedures shall be used to request the purchase of items or commodities not covered by a state contract and which cost over \$5,000. Departments submitting the Request for Competitive Bid Form must follow the following guidelines:

1. Enter requisition in the Banner system.
2. Be sure to specify a realistic delivery date. Submit request in sufficient time to permit the Purchasing Department to secure competitive quotations (See Items 3.2, 3.3, and 3.4) and place an order without causing undue delivery.
3. The department should furnish suggested sources of supply, giving the name and Address of each vendor.
4. Give a complete description of the commodity. Only one class of commodity per request. For example, do not request office furniture and scientific equipment on the same requisition. (See Item 3.6 for the definition of Specifications.) Specify manufacturer, make and model. Indicate quantity, size, color, etc. To duplicate a purchase, refer to your copy of the previous Purchase Order and copy complete specifications.
5. State where materials are to be delivered and your telephone number. See Banner requisition form for deliver to address.
6. Estimate cost in the space designated in the system. A realistic estimated cost must Be furnished. This amount determines the type of bid to be taken (See Items 3.2, 3.3, and 3.4).
7. Make sure that the requisition is approved by the appropriate personnel.

Split Billing

2.7

It is illegal to avoid taking competitive bids when the total amount of the purchase exceeds \$5,000, by requesting vendors to bill part of merchandise on one invoice and the remainder on a second. Payment of split billing invoices will not be honored by the University.

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Written Bids

3.1

To initiate a purchase requiring written bids, departments must enter a requisition in the Banner system. This form, when properly entered, allows the Purchasing Department to determine the type of bid to be taken as follows in 3.2, 3.3, 3.4, and 3.5. Note all approval lines must be approved by the appropriate person before a bid can be released.

Invitation, Bid and Acceptance--\$25,000 or more

3.2

Formal, advertised, sealed bids for goods or services estimated to cost \$25,000 or more must be advertised one time in 21 days (at least ten (10) days between the publication of the ad and the bid opening date) and opened publicly at a specified time and place. In addition, the Invitation to Bid —sealed — must be sent to a minimum of eight vendors and posted to the State Purchasing Procurement Network LaPAC. Bids shall contain complete specifications, the quantity required, delivery point and other information sufficient for a supplier to make an acceptable bid.

Invitation, Bid and Acceptance--\$15,000 to \$25,000

3.3

Written price quotations shall be solicited from five (5) or more bona fide, qualified bidders for purchases exceeding fifteen thousand (\$15,000) but not exceeding twenty five thousand dollars (\$25,000). The purchase contract shall be awarded on the basis of the lowest responsive price quotation received from the bona fide, qualified bidders. Whenever possible, at least two (2) of the bona fide, qualified bidders shall be certified small and emerging businesses, small entrepreneurships, or veteran or service connected disable veteran –owned small entrepreneurships. Written solicitations received by facsimile or by hand delivery shall allow for bids to be accepted for a minimum period three (3) working days to five (5) consecutive days.

All written solicitations shall include the closing date, time, and all pertinent competitive specifications, including quantities, units of measure, packaging, delivery requirements, ship to location, terms and conditions, and other information sufficient for a supplier to make an acceptable bid. Precautionary measures shall be taken to safeguard the confidentiality of bid responses prior to the closing time for receipt of bids. No bid shall be evaluated using criteria not disclosed in the solicitation.

Agency files shall document and list all solicited bidders and each bidder's response, summarize bid responses, indicate the awarded bid, and state the reason why any lower bid was rejected.

Telephone or Facsimile Quotations -- \$5,000 to \$15,000

3.4

Price quotations shall be solicited from three (3) or more bona fide, qualified vendors for purchase exceeding five thousand (\$5,000) but not exceeding fifteen thousand (\$15,000). Quotations may be made by telephone, facsimile, or other means and shall be awarded on the basis of the lowest responsive quotation. Whenever possible, at least one (1) of the bona fide, qualified bidders shall be certified small and emerging businesses, small entrepreneurships, or veteran or service connected disable veteran –owned small entrepreneurships. The Purchasing Department may allow a time period of three (3) working days to five (5) consecutive days to receive written quotation.

Agency files shall document and list all solicited vendors and each vendor's contact person, summarize quotations received, indicate the successful vendor, and state the reason why any lower quotation was rejected. Agency files should also contain written confirmation of the quotation from the successful vendor.

SPECIFICATIONS

3.5

The term "specification" means any description of the physical or functional characteristics, or of the nature of a supply, service, or major repair. It may include a description of any requirement for inspecting, testing, or preparing a supply, service, or major repair for delivery.

All specifications shall seek to promote overall economy for the purposes intended and encourage competition in satisfying the needs of the state, and shall not be unduly restrictive. A specification may be drafted which describes a product which is proprietary to one company only when:

1. No other kind of specification is reasonably available for the state to describe its requirements; or
2. There is a requirement for specifying particular design or make of product due to factors of compatibility, standardization, or maintainability; or
3. Such specification includes language which specifically permits an equivalent product to be supplied. Such specifications shall include a description of the essential characteristics of the product.
4. Such specification is determined to be in the best interest of the state as provided by R.S. 39:1613.

Except in Paragraph 2 of this Section, whenever such proprietary specifications are used, the specifications shall clearly state that they used only to denote the quality standard of supplies, services, or major repairs desired and that they do not restrict bidders to the specific brand, make, manufacturer, or specification named; that they are used only to set forth and convey to prospective bidders the general style, type, character, and quality of supplies, services, or major repair desired; and that equivalent supplies, services, or major repairs will be acceptable.

Escalation Clause

Bid specifications may contemplate a fixed escalation or de-escalation in accordance with the United State Bureau of Labor Statistics, Consumer Price Index and Wholesale Price Index. Bids based on specifications which are subject to recognized escalation index shall be legal and valid.

TABULATION OF BIDS **3.6**

Bids, once received, are tabulated by the Purchasing Department (Exhibit J). Items are listed by number and price. Requisitioning department is notified to review bids in the Purchasing Office. Department head must evaluate bids and provide written comments or recommendations. Subsequently, bids are forwarded to the Director of Purchasing for review and detailed consideration to assure that the lowest bid as specified or equivalent is selected and that all legal requirements have been met.

PURCHASE REQUISITION **3.7**

After bids are evaluated, the electronic requisition already approved for funding, is updated to reflect items to be purchased from vendor(s) for the issuance of a Purchase Order.

LATE QUOTATIONS **3.8**

All bids shall be delivered to the Purchasing Department in Room 104 on or before the time designated for the receipt of bids. When a courier service or the postal service is used to submit the bid package, it is the vendor's responsibility to assure that the bid document arrives in the Purchasing Department prior to the bid opening. Late quotations will not be opened or considered.

All bids and quotations will be dated and time-stamped as proof that they were received prior to the requested time.

CONFIDENTIALITY OF QUOTATIONS **3.9**

Price quotations are given to the University in confidence and shall not be revealed to any other vendor or unauthorized person prior to bid opening time.

ERRORS IN BIDS OR QUOTATIONS **3.10**

Vendors are responsible for the accuracy of their quoted prices. In the event of a discrepancy between a unit price and its extension, the unit price will govern. Quotations may be amended or withdrawn by the bidder up to the bid opening time and date. No bid may be withdrawn after the scheduled closing time for receipt of bids for at least 30 days.

BIDDERS LIST

3.11

The Purchasing Department maintains a list of vendors on the many items it purchases. It reserves final decision as to the addition or removal of vendors on its list.

Vendors are selected for their capability to serve the needs of the University in the most economical and efficient manner possible. Past performance and cooperation are important factors. Vendors must comply with all state and federal laws of Affirmative Action/Equal Opportunity Employment because it is the policy of the University to promote the full realization of equal employment opportunity through an Affirmative Action program.

Vendors also must comply with other laws and directives as they are issued.

Requisitioning departments are encouraged to suggest sources of supply for unusual items.

CATALOGS AND LITERATURE

3.12

The Purchasing Department maintains limited catalog files and upon request will make available or secure catalogs and literature necessary for department reference to satisfy University requirements. It is permissible for departments to solicit such material independently if the communication is restricted to a request for materials only and does not involve the University in any commitment.

EXCEPTIONS

3.13

Except as provided in section 5 of the Governor's Executive order BJ2010-16 A(14), A(24), or A(26) or A(30) of this section, the following items are considered small purchases regardless of price and may be procured in the following manner:

- A. No competitive process is required for the following items:
 - 1. Repair parts for equipment obtained from a Louisiana authorized dealer shall be used if. This provision does not apply to the stocking of parts;
 - 2. Equipment repairs obtained from a Louisiana authorized dealer shall be used if available;
 - 3. Vehicle repairs not covered by a competitive state contract or the state fleet maintenance repair contract, obtained from a Louisiana authorized dealer shall be used if available;
 - 4. Vehicle body repairs covered by insurance recovery and in accordance with insurance requirements;

5. Livestock purchased at public auction;
6. Purchasing or selling transactions between state budget units and other governmental agencies;
7. Publications and/or copyrighted materials purchased directly from the publisher or copyright holder;
8. Publications and/or copyrighted materials purchased by libraries or text rental stores from either subscription services or wholesale dealers which distribute for publishers and/or copyright holders;
9. Public utilities and services provided by local governments;
10. Prosthetic devices, implantable devices, and devices for physical restoration, which are not covered by a competitive state contract;
11. Educational training and related resources (except equipment) used to enhance the performance of state employees and good standing of state agencies, including memberships in professional societies and organizations, except for customized training which is covered under R.S. 39:1481, et seq.;
12. Purchases for clients of Blind and Vocational Rehabilitation programs not covered by competitive state contract which are federally funded at a rate of at least 78.7%, regulated by Title 34, Parts 361, 365, 370, and 395 of the Code of Federal Regulations, and in accordance with OMB Circular A-102;
13. Materials, supplies, exhibitor fees, and exhibit booths conferences, seminars, and workshops, or similar events (business, educational, promotional, cultural, etc.) for participation in promotional activities which enhance economic development or further the department's mission, duties, and/or functions, with the approval of the department secretary, or agency equivalent, if not covered by competitive state contract;
14. Wire, related equipment, time and material charges to accomplish repairs, adds, moves, and/or changes to telecommunications systems not exceeding two thousand five hundred dollars (\$2,500);

15. Working class animals trained to perform special tasks, including but not limited to narcotics detection, bomb detection, arson investigation, and rescue techniques;
16. Food, materials and supplies for teaching and training where the purchasing, preparing, and serving of food is part of the regularly prescribed course;
17. Shipping charges and associated overseas screening and broker fees from an international origin to a domestic destination;
18. Parcel services, including but not limited to Federal Express, United Parcel Service, Airborne Express, and Express Mail;
19. Renewal of termite service contracts;
20. Purchase of supplies, operating services, or equipment for Louisiana Rehabilitation Services, Traumatic Head and Spinal Cord Injury Fund Program. Although competitive process is not required under this Paragraph, whenever practicable, three (3) quotations from bona fide, qualified vendors should be obtained. Whenever possible, at least one (1) of the bona fide qualified vendors shall be a certified small and emerging business, a small entrepreneurship, or a veteran or service connected disabled veteran-owned small entrepreneurship;
21. Purchasing of clothing at retail necessary to individualize clients at state development centers in compliance with Federal Regulations for ICF/MR facilities;
22. Health insurance for the managers of Randolph-Sheppard programs, as defined by 20 U.S.C. §107, *et seq.*, and paid from income generated by unmanned vending locations;
23. Purchases made to resell as part of a merchandising program with the written approval on file from the secretary of the department, or agency equivalent, when it is not practical or feasible to obtain competitive price quotations;
24. Commercial Internet Service not exceeding one thousand five hundred dollars (\$1,500) per subscription per year;
25. Advertising where permitted by law and after the head of an agency or designee certifies that specific media is required to reach targeted audiences; or

26. Scientific and laboratory supplies and equipment when procured by colleges and universities for *laboratory or scientific research* not to exceed ten thousand dollars (\$25,000) per transaction.

NOTE: A REQUEST FORM FOR NON-COMPETITIVE BID PROCESS OF LABORATORY OR SCIENTIFIC RESEARCH PROJECT SUPPLIES AND EQUIPMENT MUST BE COMPLETED, SIGNED, AND FORWARDED TO THE PURCHASING DEPARTMENT FOR APPROVAL PRIOR TO REQUISITION BEING APPROVED BY PURCHASING AND THE ISSUANCE OF A PURCHASE ORDER. FORM MAY BE OBTAINED FROM THE PURCHASING DEPARTMENT WEB PAGE.

27. Publication of articles, manuscripts, etc, in professional scientific, research, or educational journals/media, and/or the purchase of reprints;
28. Livestock sperm and ova;
29. Royalties and license fees for use rights to intellectual property, such as, but not limited to; patents, trademarks, service marks, copyrights, music, artistic works, trade secrets, industrial designs, domain names, etc.;
30. Equipment moves by the original equipment manufacturer or authorized dealer to ensure equipment operation to original equipment manufacture specifications, calibration, warranty, etc., not to exceed twenty-five thousand dollars (\$25,000) per transaction;
31. Mailing list rentals or purchases; and
32. Art exhibition rentals and/or loan agreements and associated costs of curatorial fees, transportation, and installation.

- B. For the following items, telephone or facsimile price quotations shall be solicited, where feasible, to at least three (3) bona fide, qualified vendors. Whenever possible, at least one (1) of the bona fide, qualified vendors shall be a certified small and emerging business, a small entrepreneurship, or a veteran or service-connected disabled veteran-owned small entrepreneurship.
1. Farm products including, but not limited to, fresh vegetables, milk, eggs, fish, or other perishable foods, when it is determined that market conditions are unstable and the competitive sealed bidding process is not conducive for obtaining the lowest prices;
 2. Food, materials, and supplies needed for:
 - a. Operation of boats and/or facilities in isolated localities where only limited outlets of such supplies are available; and/or
 - b. Juvenile detention homes and rehabilitation facilities/homes where the number of inmates, students, or clients is unstable and unpredictable;
 3. Convention and meeting facilities, provided that any associated food or lodging must be in accordance with Policy & Procedure Memorandum No. 49, General Travel Regulations (hereafter "PPM 49");
 4. Gasoline and fuel purchases not covered by competitive state contract;
 5. Equipment for blind operated facilities not covered by competitive state contract;
 6. Feed commodities, including but not limited to soybean meal, cottonseed meal, and oats for use on prison farms;
 7. FAA PMA approved aircraft parts and/or repairs, inspections, and modifications performed by an FAA certified repair station in accordance with FAA requirements with approval by the head of the agency or head of the Office of Aircraft Services, Division of Administration.
 8. Air and bus charters in accordance with PPM 49, including group travel that does not qualify for commercial rates available to individual travelers.

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PURCHASING PROCEDURES

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NSU PURCHASE ORDERS

4.1

The Purchasing Department prepares a Purchase Order from an electronic requisition and sends copies to the vendor and appropriate departments. When a question arises and the Purchasing Department must be consulted, please refer to the purchase order number appearing on the copy. Only the Purchasing Department may assign a Purchase Order number to a requisition. Two forms of purchase orders are used. One issued by the State Purchasing Office and one issued by the University, depending on the type of purchase being made. The most commonly used Purchase Order, often referred to as an NSU Purchase Order. The purchase order form is issued to cover any and all types of purchases, regardless of the amount.

DIVISION OF ADMINISTRATION PURCHASE ORDERS (STATE OF LOUISIANA PURCHASE ORDERS)

4.2

A Division of Administration Purchase Order is issued by State Purchasing for items which Nicholls does not have delegated authority to purchase, such as the purchase of vehicles.

CONTRACTS AND PERFORMANCE AND PAYMENT BONDS

4.3

A properly executed Purchase Order, issued on the basis of competitive bids, constitutes a contract which is binding on both the University and the supplier. Purchase Orders may on occasion be supplemented by formally executed contracts and performance and payment bonds. The Purchasing Department executes contracts considered appropriate in accordance with State laws and State Purchasing rules and regulations.

CANCELLATION OR MODIFICATION OF ORDERS

4.4

Requests for cancellation or modification of Purchase Orders, including an increase or decrease in the dollar amount, should be submitted to the Purchasing Department in writing by the department head. The correspondence must state the reason for the change and refer to the Purchase Order number and vendor's name and address. An official notification to the vendor will be sent by means of a University Purchase Order Change Order. Any cancellation or alterations of an outstanding Purchase Order can be handled only through the Purchasing Department.

BACK ORDERS

4.5

Purchase Orders are issued for one or more items. The University pays by invoice on receipt of merchandise. In many instances, vendors will make partial shipments, bill and back order items until entire order has been filled. Accordingly, the Purchasing Department will keep a Purchase Order open until all orders are received. Since each department is furnished a copy of the original Purchase Order, as well as copies of change orders, a file of Purchase Orders should be maintained by departments.

EXPEDITING AND TRACKING

4.6

The Purchasing Department routinely follows up on Purchase Orders with both vendors and requisitioning departments to expedite deliveries and determine the current status of orders.

CORRESPONDENCE WITH VENDORS

4.7

All contracts or correspondence pertaining to negotiations affecting purchases or prospective purchases, which involve prices, terms, conditions, and delivery, shall be conducted by the Purchasing Department. Further, all correspondence pertaining to a Purchase Order which has been placed, and which involves prices, terms, conditions, delivery, quantity, substitution, complaint, or anything whatsoever involving the commitment, shall be conducted by the Purchasing Department. Direct correspondence by faculty and staff is the accepted practice on all other subject matter, such as availability of specified requirements, technical information, instructional information, requests for literature, etc.

DAMAGES AND SHORTAGES

4.8

In cases of damage or shortage of shipment, a written report should be submitted immediately to the Purchasing Department. It should include the following details: Purchase Order number, date, vendor, extent of damage or shortage. Government regulations require the University to file claims within a specific number of days. Failure to comply with these regulations could result in a disallowment of the claim.

MISTAKES IN SHIPPING

4.9

Mistakes in shipping should be reported promptly in writing to the Purchasing Department; the Purchase Order number and name of vendor should be included. Departments should give sufficient detail concerning the mistake so that the Purchasing Department may take steps to correct the error with the vendor.

RETURNS FOR CREDIT

4.10

When a vendor has shipped items as specified on a Purchase Order, it has legally complied with its part of the contract and is under no obligation to accept for credit any of those items delivered as specified. Acceptance of a return by the vendor is by no means automatic, and a restocking charge may be incurred. This charge will be assessed to the requisitioning department.

Requests for permission to return supplies or equipment to the vendor for adjustment or credit must be cleared through the Purchasing Department. Credit memos received by a department should be handled in the same manner as approval of an invoice for payment. Returns or adjustments which affect the encumbered amount of the Purchase Order should be processed through the Purchasing Department by means of a Purchase Order Change.

SECTION I

PURCHASING PROCEDURES

V. SPECIAL PROCUREMENT POLICIES

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STATE CONTRACTS

5.1

State contracts covering certain services, equipment, materials and supplies are negotiated and signed annually by the State Director of Purchasing in Baton Rouge. State Contracts are furnished to all state agencies and are frequently used in purchasing, unless the individual agency can obtain lower prices. This eliminates the taking of bids or quotations or both, effecting considerable savings in time and money.

Departments may contact the Purchasing Department to inquire if a state contract exists on a certain item, or they may visit the State Purchasing web site at <http://www.doa.louisiana.gov/osp/osp.htm>

EMERGENCY PURCHASES

5.2

An emergency condition is a situation which creates a threat to public health, welfare, or safety. It is a condition which would seriously threaten:

1. The functioning of Louisiana government
2. The preservation or protection of property; or
3. The health or safety of any person.

Poor planning is not justification for emergency purchase.

SOLE SOURCE PROCUREMENT

5.3

Sole source procurement is permissible only if a requirement is available from a single supplier and evidence can be furnished in writing. A requirement for a particular item does not justify a sole source procurement if there is more than one potential provider for that item. Examples of circumstances which could necessitate sole source procurement are:

1. When the compatibility of equipment, accessories, or replacement Parts are the paramount consideration;
2. When a sole supplier's item is needed for trial use or testing;
3. Items for resale;
4. Public utility services;
5. Registered breeding stock which may be purchased on a selective basis, without bids, after approval as to price and quality of such stock by the Commissioner of Agriculture of Louisiana State University to be designated by the head of the department

In case of reasonable doubt, competition should be solicited. When submitting a sole source requisition to the Purchasing Department, written justification or evidence or both must be forwarded as a requisition attachment. Sole Source Justification Form may be obtained from the Purchasing Department Website.

SURPLUS PROPERTY

5.4

Purchases from a State or Federal surplus property in Baton Rouge may be authorized by the Director of Purchasing.

PERSONAL PURCHASES

5.5

Personal purchases involving the University's name and receiving educational and/or preferential prices with the billing being made to the University's account, are strictly against state purchasing regulations. The delivery of personal merchandise to the University's Central Receiving Department by UPS or a common carrier is not allowed.

VI. DATA PROCESSING EQUIPMENT, SOFTWARE, AND HARDWARE/SOFTWARE MAINTENANCE

General

A. This Chapter describes the procedures that all agencies in the Executive Branch must follow for the procurement of Information Technology Hardware, Software, Software Maintenance and Support Services, and Hardware Maintenance. Situations not covered by these rules may be found in the general statutes and rules and regulations of the Procurement Code.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:199.C and D.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of State Purchasing, LR 29:2378 (November 2003)

Procedures For Procurement of Information Technology Hardware

A. This Section describes the information that all agencies in the Executive Branch must furnish when seeking approval of the Office of State Purchasing for the procurement of information technology hardware including installation with a cost exceeding the agency's delegated purchasing authority. Information technology hardware, for the purpose of this section, is defined memory, peripheral devices, unit record equipment, data communications equipment, minicomputers and peripherals, graphics equipment including digitizers and plotters, optical scanning equipment, and shared logic word processing equipment, printers, multifunctional devices, and scanners. Equipment that does not fit into any of the above categories will be handled on a case-by-case basis and the agency must contact the Office of State Purchasing for a ruling on the justification required.

B. This section does not apply to acquisitions from State Brand Name Contracts. Terms and conditions for Brand Name Contracts may contain additional procedures that an agency must follow. However an approved IT-10 is needed for all IT procurements in excess of \$100,000.

C. For requests not covered by an existing contract, the following should be provided to the Office of State Purchasing to avoid delays in approval:

1. A general description of the mission to be accomplished using the requested equipment.
2. A detailed list of the proposed equipment, including quantities and estimated costs for lease, purchase, rental, maintenance, etc.
3. An approved IT-10 form with all requests for procurements in excess of \$100,000.
4. The Office of State Purchasing may require additional information or justification, as it deems appropriate for any particular procurement request.

D. Each agency contemplating a procurement greater than the agency's delegated purchasing authority shall, upon definition of the preliminary functional requirements, submit a draft solicitation to the Office of State Purchasing. If the procurement exceeds \$100,000, the Office of State Purchasing shall schedule a Procurement Support Team (PST) meeting. The Procurement Support Team participation may include assistance in finalizing the solicitation. The Procurement Support Team participation must include, as a minimum, assistance in evaluation of bids or proposals and negotiations of contract terms (if applicable).

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:199.C and D.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, LR 10:77, (February 1984), amended by the Office of the Governor, Division of Administration, Office of State Purchasing, LR 21:566 (June 1995), LR 29:2378 (November 2003)

VII. PRINTING

PRINTING

The University has delegated authority to purchase printing and must bid on all jobs that cannot be provided through the University Printing Department that exceeds \$5,000.

SECTION I

PURCHASING PROCEDURES

VIII. MISCELLANEOUS

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TAXES

8.1

Nicholls State University, as an agency of the State of Louisiana, is presently tax exempt from the payment of all state, parish, and city sales taxes. This exemption has been in effect since September 1, 1991. All departments making purchases should inform vendors of this exemption. If needed, our tax exempt number is 0284182001. Any request by a vendor for a tax exempt certificate should be forwarded to the Purchasing Department.

MULTI-YEAR CONTRACTS

8.2

Contracts may be entered into for supplies or services for periods of not more than three years. The initial contract will be one year, and at the University's option and upon the contractor's acceptance, the contract may be renewed annually for two additional years at the same rates and under the same conditions.

PURCHASING RECORDS RETENTION

8.4

The Purchasing Department carefully maintains records related to its procurement activities.

It has all records since 1948 on microfilm.

The basic records maintained are:

1. Purchase Orders filed numerically with written invitations or quotations attached in an
Open or completed file.

CENTRAL RECEIVING

8.5

All merchandise and equipment must be delivered to the central receiving warehouse at the Maintenance Department. The receiving clerk checks against outstanding purchase orders and notes receipt of goods. Subsequently, a delivery ticket is made in quadruplicate and addressed to the appropriate department. The time of delivery to department and attached to the applicable Purchase Order. This copy is not required by Purchasing because central receiving furnishes the Purchasing Department with a yellow duplicate copy.

In the event of concealed damages, a claim must be made within 15 days. The Purchasing Department should be advised immediately for appropriate action.

Delivery papers and similar documents received direct from vendors by a department should be forwarded to the Purchasing Department immediately. It is extremely important in all cases that the Purchasing Department as well as central receiving, be notified as soon as possible upon receipt of merchandise direct from a vendor if receipt was not handled by the University's receiving clerk.

GROUP TRIP INSURANCE

8.6

Group of students traveling in University or leased buses are encouraged to purchase, in addition to their regular student insurance, trip insurance at a very small cost per day. This insurance is handled through the Student Life Office in the Student Union. The faculty member in charge of the group should make arrangements with the Student Life Office.

SECTION II

**IX. PROFESSIONAL, PERSONAL
AND CONSULTING SERVICE
CONTRACTS**

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DEFINITIONS AND CLASSES OF CONTRACTUAL SERVICES 9.1

“PROFESSIONAL SERVICE” means work rendered by an independent contractor who has a professed knowledge of some department of learning or science used by its practical application to the affairs of others or in the practice of an art founded on it including, but not limited to lawyers, doctors, dentists, veterinarians, architects, engineers, landscape architects, and accountants. The word “professional” implies professed attainments in special knowledge as distinguished from more skill.

“PERSONAL SERVICE” means work rendered by an independent contractor which required the use of creative or artistic skills, such as, but not limited to, graphic artists, sculptors, musicians, photographers, and writers, or which requires the use of highly technical or unique individual skills or talents, such as, but not limited to, paramedicals, therapists, handwriting analysts, expert witnesses for adjudication or other court proceedings. Personal services as described above are not to be confused with personal services contracts of Nicholls State University employees.

“CONSULTING SERVICE” means work, other than professional or personal service, rendered by an independent contractor who possesses specialized knowledge, experience, and expertise to investigate assigned problems or projects and to provide counsel, review, design, development, analysis or improvements in programs and services, including, but not limited to, such areas as management personnel, finance, accounting, planning and feasibility studies, data processing, advertising, and public relations.

“SOCIAL SERVICE” means work rendered by a person, firm, corporation, organization, governmental body, or governmental entity in furtherance of the general welfare of the citizens of Louisiana.

It is the responsibility of the Contract Coordinator / Originator to select a contractor who meets the following criteria:

1. Adequate financial resources for performance of contract.
2. Possesses necessary experience, organization, technical qualifications, skills, and facilities for performance of contract.
3. Can comply with proposed time or performance schedule.
4. Has a satisfactory record of integrity, judgment, and performance.

CONTRACT – NICHOLLS STATE FORMAT #1

9.2

The contract may be obtained by visiting the Purchasing Department Web Page Forms Section.

This is the actual contract that must be signed by the Contractor and the President of Nicholls State University to constitute a legal document. The Contract Coordinator / Originator shall provide the following:

1. The contractor's complete name and legal address, including zip code.
2. Complete description of the services to be performed and objectives to be met under the contract.
3. Dates of contract and when applicable, a description of reports to be received and due dates.
4. Maximum payment of fees, plus reimbursable expenses (in accordance with State General Travel Regulations), if applicable.
5. Contractor's federal tax identification number or social security number.
6. Contractor's signature and the signature of two witnesses.
7. W-9 Form for the Contractor
8. PSC Form No 1 and No 2. PSC Form No. 2 only required when contracting with a person.

APPROVAL FORM – PSC FORM NO. 1

9.3

PSC Form No. 1 may be obtained by visiting the Purchasing Web Page Forms Section

All contracts must be fully approved prior to commencement date of contract. The PSC Form No. 1 must be attached to the front of the completed contract and routed for internal approval. The following shall be followed:

1. Originator completes "Section 1" which includes his/her name and title, date and source of funding for payment of contract services.
2. Entire packet is forwarded to Department Head and Dean, when applicable, for signature approval.
3. Packet is forwarded to Controller's Office for Certification of Funds.
4. Packet is forwarded to appropriate Vice President for signature approval.

5. Packet is forwarded to Purchasing for review by the Director of Purchasing.
6. Internally approved packet is forwarded back to originator to send to Contractor for signature, as well as the signature of two witnesses.
7. Packet is returned to Purchasing with Contractor's signature and is forwarded to the President's office for the president's signature.
8. President's office returns contract to Purchasing. If no further off-campus approvals are needed, Purchasing distributes contract as required. If over \$20,000, Purchasing sends to Civil Service and Contractual Review in Baton Rouge for approval.
9. When department receives approved blue copy, Contractor may be contacted to begin services. (No copy is mailed to Contractor unless requested.)
10. Controller's office receives original contract from Purchasing.

ADDITIONAL CONTRACTOR INFORMATION PAGE – PSC FORM NO. 2

9.4

If contracting with an individual, the contractor should complete PSC Form No. 2. Please pay close attention to the form and contact Purchasing if the contractor checks yes for items 2, 3, 4, or 7 prior to submitting the contract for approval. The contractor and the contract originator must sign the form.

EVALUATION FORM

9.5

Evaluation form – may be obtained by visiting the forms section of the Purchasing Web Page

The evaluation form should be completed by the Contract Coordinator/Originator for contracts over \$2,000. This form shall be obtained by the Coordinator/Originator from the Purchasing Department Website. The evaluation form must be completely filled out and forwarded along with memo authorizing payment of contract within 30 days of termination of contract to the Payroll and Grants Coordinator in the Controller's office. Failure to send the evaluation form may prevent payment of the contract. Do not send the evaluation form to Purchasing.

PAYMENT OF CONTRACTS

9.6

\$2,000 or less – A memo of authorization to pay must be forwarded to the Payroll and Grants Coordinator in the Controller's Office within 30 days of termination of the contract for the Contractor to receive payment. The evaluation form is not required.

Over \$2,000 – Same as above, except evaluation form should be provided.

TIME PERIOD REQUIRED FOR PROCESSING OF CONTRACTS

9.7

Contracts up to \$20,000: allow at least three (3) weeks prior to commencement of contract for on campus approval

Contracts over \$20,000 - \$49,999: allow at least seven (7) weeks prior to commencement of contract for off campus approval by the Office of Contractual Review and Department of Civil Service, and the University of Louisiana Systems Office

Contracts for \$50,000 or more: Contact Purchasing four (4) months prior to required period of services – RFP may need to be solicited.

Additional State approvals are required for contracts dealing with legal services, financial auditing, data processing, and telecommunications. An additional two (2) week period shall be additional approvals.

COMMENCEMENT AND TERMINATION DATES OF CONTRACTS

9.8

A contract shall not be scheduled to commence prior to the estimated time period for receiving required approvals. If special conditions exist, a written explanation must be provided to the Director of Purchasing. The Director of Purchasing must give written authorization to the Contract Coordinator/Originator before beginning the contract without normal approvals.

FAILURE TO COMPLY WITH THE ABOVE PARAGRAPH MAY RESULT IN THE CONTRACT COORDINATOR/ORIGINATOR'S LIABILITY FOR PAYMENT OF THE CONTRACT.

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INSURANCE

10.1

Insurance coverages are written for the University through the Office of Risk Management, Division of Administration. The University is required to report any claims to ORM as soon as the accident occurs. Prompt reporting may affect future premiums which are primarily based on loss experience. Incidents regarding general (tort) liability and auto liability should be reported immediately to the Director of Publishing.

1. Automobiles

Automobile Comprehensive And Collision: (Mandatory)

Physical damage to licensed vehicles regardless of year model, owned, hired, or borrowed (excluding an auto owned by an employee or by a member of the employee's household). There is a \$1,000 deductible applicable for comprehensive losses and a \$1,000 deductible for each collision loss.

Automobile Liability: (Mandatory)

This coverage protects the State of Louisiana against bodily injury and/or property damage claims arising from the ownership or operation of licensed vehicles that are owned, used by, or leased to the State.

It applies automatically to newly acquired vehicles. There is no deductible for this coverage.

Automobile Non-Ownership Liability (Mandatory)

The State of Louisiana is protected against claims arising from the operation of an employee's personally-owned vehicle while on state related business.

This coverage pays for losses in excess of the auto liability limits provided by the policy on the individual employee's vehicle and covers liability of the state employee as well. In addition, it offers protection to the state for the operation of licensed vehicles hired or borrowed by the State.

2. General Liability

This policy covers legal liability for the State of Louisiana arising out of occurrences resulting in injuries or property damage to others that does not involve licensed vehicles, as well as certain obligations of others assumed under contract. Coverages 3.1 through 3.7 have no deductibles.

Premises and Operations: (Mandatory)

This policy covers state ownership, maintenance, or use of buildings or property (operations on or off premises), including conduct of state employees or independent contractors.

3. Completed Operations and Products Liability: (Mandatory)

This coverage protects against losses that occur after operations have been completed or abandoned including bodily injury and property damage arising out of products the state administers, sells or handles after possession of the product has been relinquished to others.

***Note:** Coverage related to bridges, tunnels, dams, streets...as respects the Department of Transportation and Development is excluded hereunder. Coverage is provided by Section 11 herein.

Elevator and Escalator Liability : (Mandatory)

Liability arising out of the ownership, maintenance or use of elevators and escalators is covered by this policy.

Watercraft Liability: (Mandatory)

All watercraft of 26 feet or less in length and rowboats of any length owned, used by, or rented to the State are insured by this policy.

Contractual Liability: (Mandatory)

This policy covers liability of others assumed by the State under a contract or agreement.

Wrongful Acts: (Mandatory)

Errors and Omissions (Professional Liability)

This provides errors and omissions coverage for state employees rendering professional services. It excludes errors and omissions for all medical malpractice and all activities or operations relating to bridges, tunnels, dams, streets...as respects the Department of Transportation and Development. Coverage for medical malpractice and the Department of Transportation and Development are provided by Section 10 and Section 11, respectively.

Public Officials (Directors and Officers Or Educational Liability)

This policy covers failure by public officials (Directors and Officers or Educational Liability) to perform duties, or file reports, solicit bid quotations; or issue or nullify licenses; frequent absence from meetings, or making unauthorized expenditures.

Custodial (Mandatory) :

Garage Keepers Legal Liability

This coverage protects against loss of or damage to an automobile left in the State's care for servicing, attending, repairing or parking (if insured is liable).

Foster Parents

Liability to the State arising out of the State's placement of children in the custody of foster parents is covered by this policy. Coverage also extends to include liability of the foster parents which has been legally assumed through a written contract between the State and the foster parent.

This coverage does not apply to bodily injury or property damage of the foster parents themselves nor the home or other personal property of the foster parents; nor does it apply to bodily injury or personal property damage to any household member of the foster parent's home.

Protective Liability

This policy covers operations performed for insured by independent contractors involving omissions or supervisory acts of the insured. (The State of Louisiana to be held liable for acts of an independent contractor that causes injuries to others or damage to property of others.)

Fire Damage Legal Liability

Damage by fire, caused by insured's negligence to premises rented by insured is protected by this coverage.

Personal Injury: (Mandatory)

This policy covers claims for damages based on:

- False Arrest, Detention Or Imprisonment;
- Malicious Prosecution;
- Wrongful Entry Or Eviction;
- Libel, Slander, Or Defamation Of Character;
- Violation Or Deprivation Of Rights, Privileges, Or Immunities Secured By Law.

*Exclusions Are In Policy.

4. Boiler And Machinery (Mandatory)

This policy covers loss or damages resulting from accidents to boilers, pressure vessels, turbines, machinery, and air conditioning motors and compressors located in buildings owned by the State or buildings for which the State has contractually assumed legal liability. This coverage insures the object for repair or replacement and also protects the State for loss inflicted upon the property and person of others (liability) as a result of a covered accident. Coverage was also expanded to include business interruption, extra expense and consequential damage. There is a \$1,000 deductible per accident as regards first party property damage only.

5. Property Coverages

Buildings and Property (Mandatory)

Buildings and contents are insured by the property policy which provides "all risk" coverage subject to the exclusions listed in the policy.

All agencies have coverage for loss caused by, but not limited to, the following perils; fire, lightning, windstorm, hail, explosion, riot, civil com-motion, aircraft, vehicles, smoke, theft, malicious mischief and vandalism, sprinkler leakage, business interruption, property in transit, flood, radioactive contamination, earthquake, and consequential loss to covered property caused by humidity or temperature change of

refrigeration, cooling, humidifying, air conditioning, heating, generating or converting power, equipment, all locations covered, regardless of where power failure occurs.

Buildings and improvements are insured up to the replacement cost at the time of loss. All movable property whether located within a building, outside (such as mobile equipment) and property in transit is insured up to the actual cash value at the time of loss. All claims are subject to the \$1,000 deductible per loss. This deductible shall apply separately to each insured in cases wherein the loss involves more than one named insured.

Exception to the actual cash value basis of loss valuation is made for equipment purchased in accordance with instructions set forth by the Louisiana Public Facilities Authority or the Third Party Financing Master Installment Purchase Agreement as respects this equipment, the insurance provides coverage written at replacement cost (without deduction for depreciation) or the remaining lease payments, whichever is greater at the time of the loss.

Inventory and movable property includes but is not limited to computer equipment, fine arts (museum exhibits, antiques and objects of art), boats 26 feet or less in length, rowboats (non-motorized), mobile equipment (any vehicle not required by law to be licensed), office equipment and furniture, video and audio equipment, livestock, etc.

Builders Risk: (Mandatory)

This coverage provides all risks coverage subject to specified exclusions on buildings or structures in course of construction. There is a \$1,000 deductible all perils, except flood and a \$5,000 deductible flood per occurrence.

6. Bonds And Crime

Fidelity Bonds: (Mandatory)

The Employee Faithful Performance Blanket Bond covers loss sustained by insured because of dishonest or fraudulent acts of employees. "Faithful Performance" provides coverage for loss caused by failure of employee to faithfully perform duties. This bond is required by Legislative Auditor. There is a \$1,000 deductible for this coverage.

Property Manager Bond: (Mandatory)

This bond covers dishonest or fraudulent acts or failure to faithfully perform duties, in connection with handling and control of State Property, resulting in loss to insured. This bond is required by revised statute. There is a \$1,000 deductible for this coverage. This exposure is covered by 6.1. above.

Notary Bond: (Mandatory)

This bond guarantees that a notary public will comply with applicable laws and regulations. This bond is required by revised statute. There is a \$1,000 deductible for this coverage. This exposure is covered by 6.1 above.

Postal Bond: (Mandatory)

This bond guarantees that a post office contract, branch, or station located at a university or college shall faithfully discharge all duties required under rules and regulations of the

U. S. Post Office Department. It must account for, deliver, and pay over monies, mail matters, and other properties that come in its possession to the proper post office official. There is no deductible for this coverage. This exposure is covered by 6.1 above.

Public Official Bond: (Mandatory)

Such a bond is required by law for persons elected or appointed to fill positions of trust. It protects against dishonest and fraudulent acts as well as a person's failure to perform duties required. There is a no deductible for this coverage. This exposure is covered by 6.1 above.

Crime - Inside/Outside Premises; Money And Securities; Depositors Forgery (Usually Secured By Combination Crime Policy): (Mandatory)

This policy covers all perils except those that are excluded by the policy on money and securities within premises and outside premises while conveyed by messenger. Property other than money and securities is insured against robbery (not theft) or safe burglary. Coverage is provided against loss through forgery or alteration of checks drawn by insured. There is a \$1,000 deductible for this coverage.

7. Wet Marine

Hull and Machinery On Boats/Ships/Tugs (Over 26 Feet In Length) - (Mandatory)

This policy insures loss or damage to a vessel covered by the policy including its machinery, fittings, and equipment. There is a \$1,000 deductible for this coverage.

Protection and Indemnity On Boats/Ships/Tugs (Over 26 Feet In Length) - (Mandatory)

This coverage insures the State's liability for loss of life or bodily injury; property on another ship; property other than on a ship, such as goods on a wharf, dock, bridge, etc. There is no deductible for this coverage.

*Usually the property damage liability to others is covered under Protection and Indemnity, but in some cases it could be covered under Hull and Machinery.

***Note** Boats 26 feet or less and rowboats (non-motorized) of any length are covered by the Buildings and Property under Section 5.1 for hull coverage and the General Liability Policy for any liability claims.

8. Worker's Compensation (Mandatory)

This policy pays benefits prescribed by the Louisiana Worker's Compensation Law to or on behalf of an employee who receives an injury arising out of and in the course of employment. There is no deductible for this coverage.

9. Maritime Compensation (Admiralty Law Or Jones Act) (Mandatory)

Maritime coverage liability is provided to masters or members of the crews of vessels with transportation, wages, maintenance and cure added. For such persons voluntary compensation maritime coverage also applies under which a settlement will be afforded based upon statutory benefit provisions of the Louisiana Worker's Compensation Law. There is no deductible for this coverage.

10. Medical Malpractice (Mandatory)

Any claim or cause of action against a state health care provider for an alleged act of medical malpractice is covered by the State's self-insured medical malpractice insurance policy. All judgments and settlements are made by the State pursuant to R.L.R.S. 40:1299.39 et seq. There is no deductible for this coverage.

11. Road, Bridge, Dam and Tunnel For Department of Transportation and Development (Mandatory)

This policy provides for payment of damages resulting from the establishment, design, construction, existence, ownership, maintenance, use, extension, improvement, repair, or regulation of any state bridge, tunnel, dam, street, road, highway, or expressway. There is no deductible for this coverage.

12. Miscellaneous Tort

This policy covers all tort claims prior to July 1, 1988 which were previously uninsured and those tort claims which are not otherwise covered by present liability policies. It also provides excess coverage for all liability policies where the amount of loss is over the liability limits in force at the time of the claim. There is no deductible for this coverage.

13. Underwriting Contacts

For further information on specific insurance coverages contact the Office of Risk Management in writing at P.O. Box 91106, Baton Rouge, LA 70821-9106 or call the appropriate risk grouping.

SECTION IV

PROPERTY CONTROL

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PROPERTY CONTROL

11.1

State Property Control Regulations were adopted August 20, 1976, pursuant to the regulatory authority extended by the Louisiana Revised Statutes, Title 39:321 through 39:332. The head of every State agency is required to appoint an Agency Director of Property Control who shall be bonded for \$25,000 as a guarantee that he will faithfully perform his duties in accordance with regulations. Each Department Head shall be the custodian of and shall be responsible for all property within his area of operations. The Agency Director of Property Control and each person to whom property is entrusted shall be liable for the payment of damages whenever his wrongful or negligent act or omission causes any loss, theft, disappearance, damage to or destruction of property in his custody, and such damages shall be recoverable in a civil suit therefore prosecuted on behalf of the State by the Attorney General.

ITEMS OF PROPERTY TO BE INVENTORIED

11.2

ITEMS OVER \$1,000

All items of movable property having an acquisition cost of \$1,000 or more, and certain gifts and other property having an appraised value of \$1,000 or more must be placed on inventory. The term "movable" distinguishes this type of equipment from equipment attached as a permanent part of a building or structure. All acquisitions of qualified items must be tagged with a State of Louisiana Identification tag within 10 days after receipt of the item(s).

Gifts and agency manufactured movable property with an appraised market value of \$1,000 or more must be tagged and placed on inventory. Livestock acquired for breeding, dairy, and experimental purposes are classified as property and must be recorded in the inventory regardless of the value per animal. Animals acquired for slaughter need not be placed on inventory.

ELECTRONIC EQUIPMENT - \$250 - \$999.99

Due to the need to track electronic items with a value under \$1,000, the University has implemented a new dual property inventory system. Items with a value between \$250 - \$999.99 shall be tagged with a red bar code tag that will state "Property of Nicholls State University". The following items will be considered electronic items and shall follow all rules and regulations as State of Louisiana's property (items \$1,000 and over):

**Band Instruments
Camcorders
Camera Equipment
CD Players
Computers
Computer Equipment
Fax Machines
Laser printers
Medical Equipment
Microscopes
Monitors**

**Printers
Projectors
Radio Equipment
Scanners
Stereo/Cassette Systems
Televisions
TV/VCR Combinations
Typewriters
VCR
Video Equipment**

MARKING AND IDENTIFYING ITEMS OF PROPERTY INVENTORY

11.3

Each item that meets the definition of property to be inventoried must be identified with the uniform State of Louisiana identification tag or with a NSU red identification tag bearing a unique identification number. If the item cannot have a State or NSU identification tag placed on it for physical reasons, the identification number shall be set aside and the number written on the item with indelible ink or the number inscribed on the item with a small engraving tool.

The tagging function is performed by University Maintenance Personnel.

PROPERTY CONTROL FORM NO. 1

11.4

This form is used when transferring or loaning equipment to another department, or when the department is requesting to transfer property to surplus, scrap or dismantle for parts. This form must be completed and filed with the Agency Director of Property Control. This form is the only way the status and location of property can be accounted for and known.

AUTHORITY TO RELEASE EQUIPMENT FOR REPAIRS, FORM NO. 3

11.5

This form must be completed when a piece of equipment is released to another department or company for repairs. The form shall be forwarded to the Property Control office. The form is used to assist the department head in tracking equipment that is sent for repairs.

REQUEST FOR HOME USE OF STATE PROPERTY, FORM NO. 4

11.6

No property of this agency shall be taken off campus without prior approval by the employee's department head, dean and the Director of Property Control. The original form with signatures must accompany the piece of equipment when taken off campus. A copy of the approved form must be filed with the Property Control Office. Once the equipment is returned, the employee must state the date of return and sign the form along with the department head's signature and forward the original form to the Property Control Office.

NOTE: The equipment shall only be used by the employee who is signing for the equipment to be used off campus and the equipment may only be used for Official Nicholls State University Business. The employee shall do everything within their power to protect and conserve all State-owned property, including equipment and supplies entrusted to them. Upon completion of the program/project for which the equipment was issued for their use, or a change in duties eliminates the need for the equipment, or when directed by the employee's supervisor or section head, the equipment will be returned to Nicholls from which it was removed. The employee shall be responsible for the equipment while it is in their care, and that the item, or items, shall be returned to campus on a daily basis when the employee reports to work.

STUDENT HOME USE OF STATE PROPERTY, FORM NO. 5

11.7

No property of this agency shall be taken off campus by a student without prior approval of the student's instructor, the instructor's department head, dean and the Director of Property Control. A copy of the approved form is to be forwarded to the Property Control Office. The original form with appropriate signatures must accompany the piece of equipment when taken off campus. Once the equipment is returned, the student must state the date of return and sign the form along with the department head's signature and forward the original form to the Property Control Office.

ANNUAL INVENTORY REQUIREMENTS

11.8

The Agency Director of Property Control directs and supervises the taking of a complete agency physical inventory by departments each fiscal year. He is also responsible for recording the true and actual results of the inventory. Property Inventory on Record is two printouts used by each department in taking inventory. These printouts show all items (\$1,000 and over and \$250 - \$999.99). The printouts show items and their location by departments according to records in the office of the Agency Director of Property Control's Office.

DISCREPANCY REPORT

11.9

Following completion of the inventory, the Agency Director of Property control compiles the true results. He also must submit a Discrepancy Report to the State Property Control Director with a copy to the Legislative Auditor; it must list all exceptions or discrepancies found. The discrepancy report shall list each of the missing items, the data on the items, and an explanation of what is believed to have happened to items not located. A copy of the police report shall be enclosed when theft has occurred.

Missing and unlocated items shown on the Discrepancy Report shall be reflected with the unlocated date for three years. After three years, if the item is not found, the item will be removed from the inventory records.

CERTIFICATON OF ANNUAL INVENTORY

11.10

The Agency Director of Property Control must submit the certification form to the State Property Control Director with a copy to the Legislative Auditor after the physical inventory and the agency inventory mast file have been reconciled.

INVENTORY DISPOSITION AUTHORITY

11.11

No property of any agency shall be sold or given to any person or legal entity, or be transferred, assigned or entrusted to any other agency or to any officer or employee or any other agency without the written permission of the Commissioner through an approved State Property Transaction Form BF-11.

This form is the means by which an agency receives written approval for the disposition of any and all items of State property from an agency. The BF-11 is the request from an Agency Director of Property Control and no action shall be taken until an approved copy is received from State Property Control. When the item to be disposed of is a motor vehicle, a Motor Vehicle Condition Report Form DA-121 must accompany the BF-11.

An approved State Property Transaction Form BF-11 shall be used as the authority to sell, transfer, scrap, dismantle, lend or otherwise remove an item from the agency inventory master file of state agencies. The State Property Transaction Form BF-11 must be approved by the State Property Control Director prior to any transfer or disposition of State-owned property. **In no case shall property be destroyed prior to the approval of the Commissioner.**

No Agency Director of Property Control or head of the agency shall authorize the transfer of any items of surplus property to the State Property Control Section without a prior approved BF-11 for each item and a scheduled delivery date from the State Property Control Section. Items that transferred with unapproved BF-11's at the State Property Control Section for disposition will be returned to the shipping agency for proper compliance with these regulations. When more than one item is to be transferred, not located, scrapped, or dismantled for parts, one BF-11 may be used with the necessary information on an attached sheet.

SALE OF LIVESTOCK

11.12

As an exception to the general State property disposition regulations, State agencies may sell their livestock at any authorized public auction sale. The farm manager shall forward a written request, approved by the department head, to the Agency Director of Property Control requesting authority to sell animals at a public auction. The Director shall seek approval from the State Property Control Office. Animals shall not be sold without written approval of the Agency Director of Property Control. A BF-11 and any documentation pertaining to the sale should be sent to the State Property Control Office immediately after the sale for approval to remove the livestock from the Master File inventory.

SURPLUS EQUIPMENT

11.13

Annually when an agency submits its Discrepancy Report, it shall also furnish a listing of idle or surplus items available for transfer or disposition.

DONATION OF EQUIPMENT

11.14

An Act of donation should be completed for all property donated to the University. All movable property donated which has an acquisition cost of \$1,000 or more or an electronic item with a value of \$250 - \$999.99, must be placed on inventory. A letter requesting to accept property must be approved by a department's chain of command prior to acceptance. (NOTE: all computer equipment donations will be forwarded to the Computer Services for approval). The appropriate vice president shall forward the request to the Vice President of Finance and Administration for final approval. Once approved, an "Act of Donation" must be completed by the department. Note: Donation information must be provided to the Office of Development so that accurate records of donations to the University may be kept.

If possible, the donor and the donee should all be present at the same time, along with two witnesses.

However, if donation is done off-campus, the signatures of the donor and the two witnesses must be obtained by the requesting department and the document must then be forwarded to the Purchasing Department to obtain donee's signature.

SECTION V

UNIVERSITY KEY PROCEDURES

University Key Regulations and Procedures.....	12.1
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UNIVERSITY KEY REGULATIONS AND PROCEDURES

12.1

The Purchasing Department is responsible for regulating the following:

1. Issuance of Keys
2. Coordination of Core Installation/Changes
3. Investigation of Keys Reported Lost or Stolen
4. Return of Keys

ISSUANCE OF KEYS

12.2

Any faculty, staff, student employee, student, or non-university personnel can obtain keys with the authorized signature of an administrative official in the chain of command (department head or higher) on a University “Key Request Form”. No stamp or signing for supervisor will be accepted. Key Request Form may be obtained from the forms section of the Purchasing Department Web-Page.

The form must be completely filled out with the correct key number and location of building and room number. The requester must present the key request form with appropriate approval to the Purchasing Department before he can be issued a key. No key will be issued if it is not listed on the key request form.

The requester must PERSONALLY sign for each key requested. No exception.

When a new requester is issued key (s) a copy of “Key Rules and Regulations” is given to him. The rules and regulations include the following:

1. **DO NOT** lend your keys to anyone.
2. Notify the Purchasing Department, **IMMEDIATELY**, if you lose a key.
3. You are responsible for returning key(s) to this office after the key(s) is no longer needed.

The requester is expected to follow the above rules and regulations.

The only time a requester can receive a key without authorized signatures is for an elevator key. The requester must be visibly handicapped or present a doctor’s excuse. The elevators keys must be returned to the Purchasing Department at the end of each semester.

COORDINATION OF CORE INSTALLATION/CHANGES

12.3

All request to install or change cores must be submitted through a work order and signed by the appropriate chain of command. If an emergency situation occurs, the core can be changed immediately, but a letter or work order must still be completed. The Purchasing Department can advise a supervisor as to what is the most secure way to coordinate the changing of cores in a particular area if it is necessary.

INVESTIGATION OF KEYS REPORTED LOST OR STOLEN

12.4

All lost or stolen keys must be reported to the Purchasing Department IMMEDIATELY. A police report must be filed through the University Police Department.

A non-refundable \$5.00 (faculty/staff) or \$10.00 (dorm student) assessment will be charged for each lost key. Only one duplicate key will be issued. If lost again, the privilege for the key will be discontinued. A holder can request keys for the third time, but he must have approval of his department head, dean and vice president. The letter of approval must also state what happened to the key. The Director of Purchasing must also sign off on the third request.

RETURN OF KEYS

12.5

At termination of employment or change of location on campus, all key(s) must be returned immediately, by the individual responsible for the assigned key(s), to the Purchasing Department. If the individual does not have all the key(s) assigned to him, he is responsible for payment of missing key(s). Supervisors of terminated employees shall assist in making sure that keys are returned.