

# MATERIALS MANAGEMENT PROCEDURES

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## ASSET MANAGEMENT

### **Acquisition of Assets**

When items classified as equipment (property) are ordered through PeopleSoft a physical description must be entered to be downloaded into the Asset Management (AM) module, a property tag number will be assigned. This will allow the equipment to be tracked from purchase to disposal.

When equipment is delivered to Receiving, it is received in the PeopleSoft. Asset Management will then be able to run a query that shows equipment received. The equipment will then be located and the property tag number label will be affixed to the equipment. Asset Management will then run the transaction load process in PeopleSoft to add the equipment to the inventory.

When equipment is received as a donation, it is the departments responsible to notify Asset Management by providing adequate documentation, i.e., Physicians Practice Group check request, GHSU Foundation check or a letter stating the fair market value. Asset Management will then assign a property tag number and enter the physical and financial information into PeopleSoft manually.

Capital Leases will be handled between Asset Management and Purchasing. Purchasing will notify Asset Management of Capital Leases and provide details, i.e., length of lease, description, Purchasing Order, etc. Asset Management will request cost of Capital Lease from Financial Accounting. Property tag number will be assigned to equipment and entered into PeopleSoft manually. Asset Management will notify Purchasing of tag number to be entered on a Capital Lease spreadsheet.

Departments are responsible for notifying Asset Management when self-constructed assets meet the minimum threshold of \$3,000 with a three-year useful life. The department will provide documentation of historical cost or fair market value, description and location. Asset Management will assign a property tag number label and enter into PeopleSoft system manually.

### **Equipment Inventory**

Each Vice President, Dean or Department Chair/Director is responsible for maintaining accountability of all equipment (property) assigned to his/her departments. Each department will appoint an Equipment Property Control Officer to manage equipment (property) and be available when an audit is scheduled, answer questions, conduct inventories as required and locate equipment as needed. Asset Management maintains the "Moveable Equipment Inventory" based on information received from each department.

Department(s) will notify Asset Management in writing of the employee who will be the Equipment Property Control Officer and the department ID (eight digits) number. Equipment Property Control Officers will:

- Have knowledge of the Georgia Health Sciences University's procedures related to management and accountability for equipment (Asset Management will provide training if requested.)
- Notify Asset Management when equipment information changes, i.e., location changes or transfers, via e-mail or Request for Moving Services form
- Complete an annual physical inventory
- Sign equipment loan agreements
- Sign for new equipment ordered and received
- Report lost, missing or theft of equipment to Public Safety and Asset Management. Ensure licensed software and confidential information is removed from computer(s) before they are transferred to surplus or other departments. Ensure equipment is safe to move.

A Physical inventory of GHSU equipment is conducted at least annually.

### **Transfer of Grant-Funded Equipment**

When grants expire, Sponsored Program Administration will obtain information as to the final disposition of equipment items connected with the grant and will notify Asset Management as to the proper change to make in the "Moveable Equipment Inventory".

The Principal Investigator (PI), transferring to another institute, may wish to take equipment associated with an ongoing sponsored project to the new institution. If so, the appropriate department chair should send a request for equipment to be transferred, with each piece of equipment listed, to Asset Management.

Asset Management will list funding information for equipment and forward the request to Sponsored Program Administration for final approval.

Sponsored Program Administration will determine if the item(s) is to be transferred and the appropriate amount of reimbursement (if any). If the equipment is partially funded from State and other cost-sharing accounts, Sponsored Program Administration will request that the PI/department obtain a current fair market value.

GHSU is entitled to be reimbursed in an amount calculated by applying the percentage of GHSU's participation (including other cost sharing) in the total cost of the project times the current fair market value of these pieces of equipment, Sponsored Program Administration will invoice the receiving institution for this amount. When payment is received, Sponsored Program Administration will send PI copies of the approved transfer and any invoice clearly marked "PAID", the PI should arrange with the receiving institution to have the equipment picked up and delivered at the receiving institution's expense.

NOTE: Equipment that was purchased solely from State of Georgia funds or received by GHSU as an unrestricted gift or bequest and titled to GHSU, cannot be loaned unless approved by Asset Management.

Equipment that was purchased solely from contract /grant funds or jointly from grant and state funds is titled in accordance with terms and conditions of the contract/grant instrument and applicable Georgia state law and regulations.

If title to such equipment is vested in GHSU unconditionally and without qualifications or reservation from the grantor/sponsor arising out of the contract or grant, that equipment becomes state property.

### **Loaning of State Property**

Departments having employees needing to use GHSU equipment to performing GHSU business on campus must complete a Property Loan Agreement Form. The form can be found at (<http://www.georgiahealth.edu/supply/property/PCloan.pdf>). The form must be filed out completely, if not it will be returned to the department to be completed before equipment can be removed from campus. Instructions are included on the form.

### **Property on loaned to GHSU**

Departments having a need to bring property onto campus from a vendor must have a purchase order created.

Personal property brought on campus will not be inventoried, tagged or insured. The responsibility for such equipment rests entirely with the employee.

## **MOVING/SURPLUS PROPERTY SERVICES**

To have equipment moved on campus a “Request for Moving Services Form” (located at: <http://www.georgiahealth.edu/supply/property/MOVREQ.pdf>) must be completed, showing property record numbers where available. The form must be forwarded to Moving Services (HSB or faxed, 2189). The department’s Assistant Property Control Officer must be available to meet with representative from Moving/Surplus Property Services, if necessary. All small items must be packed and equipment must be prepared and cleaned before moving. Move will be scheduled.

### **Decontamination and Disposal of Surplus Equipment**

Departments must remove biological, chemical or radiation precaution stickers from surplus equipment. An original signed Surplus Equipment Decontamination Form (<http://www.georgiahealth.edu/supply/property/deconform.pdf>) must be attached to the equipment. The department must submit a Request for Moving Services form and a signed Decontamination Form to Moving and Surplus Services (fax – 2189). Moving and Surplus services will verify decontamination form and pick up surplus equipment. Surplus Equipment that is not reasonably clean will not be picked up by Moving and Surplus Services.

## SURPLUS PROPERTY DISTRIBUTION AND DISPOSAL

The department completes a Request for Moving Services form indicating property is surplus, and forwards it to Moving/Surplus Property Services. The department must take all the necessary steps to insure the property is ready to be moved, such as decontamination or having property disconnected. Also, they must insure that all hard drives of surplus computers are removed by Information Technology Support Services (ITSS).

Moving/Surplus Property Services schedules move and notifies department of date and time.

Moving/Surplus Property Services moves property to holding area until property is disposed of in accordance with State Law and Federal Agency decision.

Moving/Surplus Property Services forwards a copy of Request for Moving Services form to Asset Management.

Property Control updates the moveable equipment inventory showing the property disposed of.

## SURPLUS PERSONAL COMPUTERS/ELECTRONIC PROPERTY

Prior to disposing of equipment that contains data storage devices (all devices including, but not limited to PCs, laptops, servers, main frames, or handheld computers) as surplus, you MUST have all hard drives or data storage devices removed by ITSS. In addition, ITSS will label the equipment that is ready for surplus. Complete a Request for Moving/Services Form (<http://www.georgiahealth.edu/supply/property/MOVREQ.pdf>) and forward to Moving and Surplus Property as instructed on the form. The equipment will then be pickup for surplus. The Moving and Surplus Property personnel will not pick up any unit that does not have this label affixed to it.

## CAMPUS MAIL SERVICES

Mail is picked up twice daily from the United States Post Office (USPS) then sorted with Special Service and First Class mail given priority. Mail is delivered to specified points. Outgoing mail is picked up from specified points to be delivered to campus departments or the USPS.

US mail addressed only to the Medical College of Georgia (MCG) and Medical College of Georgia Health (MCGHI) will be opened by the Postal Services Supervisor, identified and forward accordingly.

Outgoing business mail can be metered. Mail can be sealed during the metering process if it has been prepared with the envelope flaps out over each preceding envelope. All

mail is least cost routed unless a specific service is requested and paid for by the sending department.

Official business mail must have GHSU's return address and department ID number in the upper left hand corner to receive postage.

#### Correct Business Mail Address

Materials Management Associate Vice President Office - 00000000 Augusta, GA 30912	John Doe Fishman Scientific 1120 Main Street Atlanta, GA 30865
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To mail on campus, use the brown intra-campus envelopes when possible. If regular envelopes are used, they should be sealed and the postage area in the upper right hand corner clearly marked with Xs. Intra-campus mailings of 200 or more pieces should have all pieces addressed to the same department and building code bundled together. Intra-campus mailings to student mailboxes, of 50 or more pieces, should be organized in ascending numerical order and secured with a rubber band.

#### Correct Campus Address:

John Doe

Materials Management – Associate Vice President Office, HSB000

Departments will be charged the postage for service other than least cost routing, postage that is reimbursed by a 3<sup>rd</sup> party, all permit mailing postage cost, all foreign mail and postage for 100 or more pieces of like mail within 24 hours.

The Campus Mail Center will not be able to register mail, accept personal mail using official envelopes or mail codes, deliver mail to locations that are not authorized mail delivery points.

The Campus Mail Center is open Monday – Friday, 8:30 am to 5:00 pm.

**Note: No personal incoming mail or packages are permitted.**

## STATE INSURANCE PROGRAM

### Building and Contents

All GHSU property losses should be reported to Public Safety immediately. Public Safety will investigate accident and make a report.

If the damage appears to be serious, call the Materials Management Director's Office at 1-2619, so that the Department of Administrative Services (DOAS) – Risk Management can be notified immediately, in case an adjuster needs to be sent. If the damage is after normal working hours, Public Safety will be able to get in touch with someone who can report the damage to DOAS.

Public Safety will investigate cause of the damage and prepare a report that is forwarded to the Materials Management Director's Office.

Materials Management should receive the report of damage, as soon as possible after accident, and notify DOAS.

Materials Management will work with the department that had the loss and Facilities Management to put together a packet of the repair/replacement expenses. The packet will be sent to DOAS for payment of claim.

This policy also covers theft of GHSU property and should be handled like the Building and Contents.

### **Vehicles**

If you are involved in a vehicle accident while driving a GHSU vehicle, you should call Public Safety to make an incident report, if you are on or near campus. If you are away from campus, call the nearest law enforcement office. Also, you should call the Department of Administrative Services (DOAS) Risk Management in Atlanta. Each GHSU vehicle has a yellow insurance information card in it showing the number to call and the information DOAS will need.

Public Safety will send a copy of the incident report to Materials Management (If the report was done off campus Public Safety will secure a copy). When Materials Management receives the report, appropriate action will be taken to file an insurance claim, if necessary.

### **All Risk Certificates**

When there is damage or theft of items covered under the All Risk Certificates it should be handled the same as Building and Contents.

For questions regarding property insurance or filing a claim, call 706-721-2619.

## **SHIPPING**

Departments having items that need to be shipped off campus for return or repair must prepare a Discrepancy Memorandum. Fax the completed form to Shipping at 9223, also a copy should be attached to the item. The Discrepancy Memorandum can be found at <http://www.georgiahealth.edu/supply/purchasing/pforms/discrepancy.pdf> .

Memo must include:

- Building and room number where item is to be picked up.
- Type of service desired:
  - Freight Charges Only
  - Exchange/Replacement

- Modification
  - Calibration/Adjustment
  - Description: Give complete description of item to be shipped and include serial number(s), property record number(s), model number(s), etc. Include details of replacement(s), person to contact, return authorization, etc.
  - Exact quantity and unit of measure.
  - Total Price: Indicate cost of transaction for modification and/or calibration/adjustment. Leave blank if the shipment is for freight charges only. (Actual freight charges will be determined by Shipping employee). If there are no charges because a warranty is in effect, please note.
  - List full name and address to which the item is to be shipped; post office boxes or route numbers are not acceptable. Include contact person and returned goods authorization number.
  - Remarks
    - Include dollar value of item to be shipped. Indicate how much to insure for.
    - Include any special handling requirements to complete the shipment. This includes fragile items, specimens on dry or wet ice, glassware etc.
- NOTE: Facilities Management, Carpenter Shop, can provide crating.

Item(s) are picked up and delivered to Shipping. Packages are logged for tracking purposes. Shipping selects the most economical mode of transportation, unless otherwise specified by the department.

Packages are held in the warehouse until they are picked up by carrier.

## WIRELESS COMMUNICATION DEVICES

Where communications needs cannot be met with other available alternatives such as a paging device, a radio, or standard telephone equipment, a department may acquire a WCD/cellular telephone service for an employee. Examples of conditions under which a WCD/cellular telephone and service may be obtained include the following:

- A WCD/cellular telephone is required to directly enhance an employee's job responsibility of protecting the physical safety of the general public.
- A WCD/cellular telephone is required for an employee to respond better to environmental emergencies.
- A WCD/cellular telephone is required for additional protection for the employee in potentially hazardous working conditions.
- An employee cannot adequately meet communications needs with other available alternatives such as paging device or a radio.
- A WCD/cellular telephone is required for on-call personnel required to respond to critical system failures or service disruptions.



- A WCD/cellular telephone is determined to be the most appropriate means of responding to campus emergencies or to achieve business efficiencies.
- Cost savings are realized when an employee combines or eliminates landline and/or other telecommunications services (i.e. pagers).

Departments can request approval from appropriate department head to purchase WCD/cellular telephone by having a Wireless Approval Form signed. (<http://www.georgiahealth.edu/supply/purchasing/WirelessApproval.pdf>) - (Approval can only be given at the department director or above level.)

They must maintain a copy of the approved justification documentation for each WCD/cellular telephone device/service in its inventory. The original approved justification or a copy is forwarded to Purchasing with a requisition to purchase the equipment, activation fee and establish the service.

The business needs must be determined and an appropriate airtime package selected that meets these needs.

The department should review all call activity on a monthly basis to ensure that the appropriate airtime bundle has been selected and that no additional charges were incurred due to personal calls. If personal calls are identified which creates additional charges and which have not been reported by the affected employee, the department will collect the cost of such call(s) from the employee and take any appropriate disciplinary action.

After review, the statement must be approved and signed by someone administratively senior to the user, or someone designated by the appropriate Vice President. Approved statements must be retained for 5 years and are subject to audit by the Board of Regents Auditors, State Auditors, the University's Internal Auditors, or Telecommunication Department.

If employee who has an GHSU cell phone leaves a department (transfer or termination), that department must reclaim the device for reissue or turn-in as surplus property.

Turn in all surplus wireless communication devices to Asset Management.

Purchasing must sign all contracts or service agreements. Also they will process requests for WCD/cellular phones (equipment and activation fees) and service upon receipt of an approved purchase requisition and Wireless Device Approval Form.

Purchasing will procure these items via standing agreements available to the University. In special circumstances, Purchasing may utilize other agreements obtained from any carrier who best meets the needs of the University upon agreement by the unit requesting the purchase.

The user should take the appropriate safety precautions when choosing to use a WCD/cellular device including the use of a “hands free” device when talking on a cellular telephone while operating a motor vehicle.

Cellular telephone conversations are not secure; therefore employees must not discuss protected health information (PHI) or other confidential information.

The user has sole responsibility for their cellular telephones. They are responsible for all incoming and outgoing calls and shall only be used by GHSU employees.

In the event a telephone is lost or stolen, it must be reported immediately to the service provider, GHSU Public Safety, Information Technology Support Services and departmental manager. Failure to do so could make the employee personally liable for payment of all calls made against the lost or stolen cellular telephone. Employees may also be held personally responsible for any charges to replace cellular telephones that are lost or stolen. If the phone is damaged, it should be reported to your department manager.

There are personal digital assistants (PDA) that also function as a WCD. GHSU might purchase the unit as a PDA and the user may then purchase the WCD from personal funds. In this way, the user has a single multi-user (PDA plus WCD) that allows the user to have personal wireless access and portable work related data in one unit.

WCD/cellular phones assigned to University faculty or staff members are for Official business use. It is a violation of this policy to use any institutional source of funds (e.g., state funds or funds from a private, cooperative organization such as PPG or the GHSU Foundation) to purchase a WCD/cellular phone for a personal purpose or to use institutional source of funds to pay for service fees for personal use. Any charges identified with a personal use shall be the personal responsibility of the individual incurring those charges and the individual employees is to notify their department head or supervisor and reimburse the University for those calls that create additional charges (i.e. roaming, long distance, directory assistance, airtime charges). Reimbursement to GHSU for any WCD/cellular call for personal use must be deposited with the Controller’s Office by the department, along with a copy of the annotated bill noting the personal call and cost within 30 days of the bill date.

WCD/cellular services will be billed directly to the ordering department, based upon the information on the purchase order (FPO). Object code 77350 Cellular Services, will be used to account for WCD/cellular telephone costs. Departments will review and verify WCD/cellular phone bills on a monthly basis and use their p-card to pay the monthly bill.

P-Cards **will not** be used to acquire WCD/cellular equipment or activate services; however P-Cards must be used to pay recurring monthly service charges.

### **Reimbursement for Business Use of Privately Owned WCD/Cellular Telephone**

The acceptable method of reimbursement is use of a formula to determine the per unit of usage charge for calculating the reimbursement rate for business related communications. Business related communications made using minutes or measured service within a user's pre-paid service plan shall not be reimbursed. Business related communications made using minutes or measured services in excess of the pre-paid service plan are reimbursable.

- When a business related communication occurs over and above the pre-paid service plan's limit, GHSU will reimburse at the actually accrued per minute charge billed by the service provider. GHSU will reimburse for roaming, long distance or other applicable charges for business related purposes.
- Employees may be reimbursed for personal calls made using minutes or measured service in excess of the pre-paid plan but only to the extent required to offset business related communication minutes or measured service within a user's pre-paid service plan.

The user must accumulate \$25.00 in reimbursable charges within a 90-day period before requesting reimbursement.

### **USED EQUIPMENT/TRADE-INS**

It is required by law that we only purchase new equipment unless it is deemed beneficial to the State to purchase Used Equipment. The department is ultimately responsible for warranting that the purchase meets the requirements of the exception.

Trade Ins – It is unlawful to sale or dispose of State property except through the Surplus Property program or through a trade-in on the purchase of new like equipment. All trade-ins require the Surplus Property Manager's prior approval.

The department must –

- Obtain the following information from the vendor on vendor's letterhead:
  - Complete description of unit or system
  - Year equipment was manufactured
  - If equipment is Used, Reconditioned, or Demo
  - Present condition (Fair, good or excellent, the department is responsible for verifying condition)
  - Price if purchased new
  - Current selling price
  - Guaranties or warranty information (if covered and how long)
- Complete the Used Equipment form
- Enter on-line REQ in system
- Process per standard purchasing procedures

#### Trade-Ins – Department Continued

- Perform cost analysis to justify trade-in
- Obtain prior approval from the Surplus Property Manager via e-mail, including the following information:
  - Complete description of unit or system
  - Model #, Serial # and PR #
  - Condition and age
  - Room location
- If approved, enter on-line REQ in System
- Fax vendor letterhead, Used Equipment form, cost analysis and Surplus Manager's approval e-mail to the Buyer, referencing the REQ number
- Process per standard purchasing procedures

Purchasing will process PO per standard Purchasing practices

### SPECIAL APPROVAL COMMODITIES

Purchasing is unable to process any REQs that do not have the required approvals. The commodities and approvers are:

- Radioactive Materials – User Authorization # - Environmental Health & Safety (EHOS)
- Position Ads – Classified – Authorization # - Human Resources (HR)
- IT Equipment – EDP # - IT
- Sponsored Funded Equipment – Sponsored Project Accounting (if IT equipment, both IT and Sponsored Project Accounting must approve)
- Autos – Vehicle Services

The department must:

- Obtain prior approval for IT, radioactive materials, ads per Approval Department procedures
- Enter on-line REQ (all authorization #s must appear in the first of the long description and most REQs must be left in Pending Approval status)
- Follow standard purchasing procedures

Purchasing will process PO per standard Purchasing practices.

### PURCHASING WITH FEDERAL FUNDS

To purchase items with Federal funds the Department/Principal Investigator (PI) should:

- Submit a requisition (REQ) to request the needed equipment, goods, or service
- Provide detail specifications, scope of work for services and copy of quote or proposal
- Be prepared to meet with the buyer to explain or clarify the details as necessary
- Request only items necessary and specifically identified in the grant/sponsored account approval

### Sponsored Program Administration (SPA)

- Upon approval of a federal grant, insure proper budgets and project numbers are established and entered into the financial system
- Insure the PI is aware of the spending restrictions on the grant funds
- Approve requisitions prior to the purchasing process to avoid the purchase of unnecessary or unauthorized items

### Purchasing

Upon receipt of a properly approved requisition (REQ), initiate “best practices” purchasing procedures in accordance with Federal Purchasing guidelines to include as appropriate:

- Validate Sole Source justification
- Use of competition in the selection process, where appropriate
- Perform a cost/price analysis
- When purchasing equipment consider new vs. use/lease vs. purchase and associated expenses, to include a total cost of ownership (TCO) analysis
- Review analysis results and recommendations with the department/PI
- Maintain documentation of the complete purchasing process
- Review the results with the department/PI prior to award
- Make the purchase based on what is most economical/practical and/or the best value
- Determine that entities receiving subawards equal to or exceeding \$25,000 and their principals, are not suspended or debarred by verifying such on the General Services Administration’s Excluded Parties Listing System (EPLS) via [www.epls.gov](http://www.epls.gov)

## CHANGE ORDERS/RETURNS/REPLACEMENTS

**Change orders** - will only be processed under certain circumstances. If approved, Change Orders are limited to no more than 10% of the original purchase.

- Department
  - Will e-mail the buyer with the request for a Change Order – referencing the PC number, line number, dollar amount and reason for change
  - Fax any new attachments required for the Change, referencing the original PO number
- Purchasing
  - Change Order will be processed in the system (If there will be changes on previous year funds, Purchasing must get approval from the Controller prior to actually processing. Not all previous year funded changes can be made, due to auditing regulations.)

## Returns for Credit

- Department
  - Contact the vendor for Return Authorization number, complete shipping address and name of person given the authorization
  - Complete the GHSU Discrepancy form, retain one copy for your files
  - Fax the form to shipping, if an attachment is required by the vendor (put hard copy of Authorization form with the goods) e-mail Shipping to have someone pick up the necessary paperwork or put in inter-campus mail)
  - Place goods in original container if available If a container is required, contact Shipping (9222) to pick one up or process an IDR to Facilities Management is a wooden crate is required
- Shipping
  - Receive Discrepancy form
  - Schedule pick up of goods
  - Ship package(s) to vendor via UPS/FEDEX unless otherwise requested

## Repairs, etc

- Department
  - Enter on-line REQ in system (If repair on equipment, the REQ must reference: Serial & Property Record numbers, if covered under warranty, replacement value, estimated repair cost)
- Purchasing
  - Purchasing will process per the standard Purchasing practices by issuing a M-Order (only shipping request are issued M-Orders)
- Shipping
  - Run the custom query to view available M-Order POs
  - Run the required copies of the PO
  - Schedule for the pickup of goods from the department
  - Ship package(s) out to the vendor

## ALREADY RECEIVED ORDERS

Departments that have agency contracts and make purchases against those contracts may do so without a PO up front. The purchase is made and the invoice is sent to the department.

- Department
  - Order supplies or service
  - Receive Invoice from Vendor
  - Enter REQ into system, stating ALREADY RECEIVED, Invoice #, description of item, in the Description box
  - Hold invoice until PO is cut

- Write PO number on invoice
- Send to Accounts Payable
- Purchasing
  - When REQ is entered in system, create PO
- Accounts Receivable
  - Pay invoice

## ADVERTISEMENTS

- Staffing Positions: Classified Advertisements
  - All classified staffing positions should be entered as a requisition. Prior to entering a requisition, confirmation & approval should be received from the Human Resources and University Advancement Division.
  - Once approval has been received from both divisions, the requisition should reference the following information in the long description of the “requisition form” section.
    - **LB# (Approval Number)**
    - **Title/Position**
    - **Size of Ad**
  - All approval documentation must be forwarded via email to the Buyer responsible for processing. Reference the requisition number in your email.
  - Classified staffing requisitions are usually processed within twenty-four hours of completing your requisition. Reference any additional comments in your “Header Comments.” If it requires immediate attention, please notify the Buyer of its priority.
- Faculty Positions: Faculty Recruitment Advertisements
  - All faculty positions should be placed on your P-Card. Prior to placing an ad, confirmation and approval by Faculty Recruitment Office of the Human Resources Division and University Advancement is required.
  - All approval documentation must be forwarded to the Buyer via email. An ACH (Clearing House) approval number must be provided with documentation.
  - Final Approval will be sent to Requester, P-Card Coordinator, Faculty Recruitment Coordinator and the University Advancement Office of Strategic Communications.
- Ads
  - Can use the Purchasing Card, but the department must obtain prior approval from University Advancement Office of Strategic Communications.

## REQUEST FOR QUOTE (RFQ), REQUEST FOR PROPOSAL (RFP), REQUEST FOR INFORMATION (RFI)

GHSU follows the Georgia Procurement Manual Administrative Rules. Thus Purchasing, in accordance with Georgia state law, must obtain competitive pricing or cost analysis on institutional purchases in excess of \$5000. Purchases shall be awarded to the lowest responsible bidder within considerations of quality, conformity to specifications, discounts, delivery date, and price or to the vendor who presents the best value to the State. Any variance to this procedure will occur only in extreme emergencies and in accordance with State law.

### **Department**

- Determines need for the large purchase or service
- Enters on-line REQ with complete specifications
- Processes approval program if appropriate (Obtain any Special Approval if required)
- Forward /fax all attachments to Buyer, referencing the REQ number (Proposal, Sole Source, Check List, etc)

### **Purchasing**

- Buyer reviews REQ for required documents, proper coding & approvals and specifications
- Buyer determines and develops, along with the department, the RFI/RFQ/RFP solicitation documents
- Buyer posts the solicitation documents to the DOAS/GA Procurement Registry website

### **Request for Question**

A Request for Quotation (RFQ) is a formal solicitation method that includes a well-defined specification or scope of work and contains all contractual terms and conditions. The RFQ solicits price quotations or bids from prospective vendors and seeks to obtain price quotes from qualified vendors using the lowest quote as the determining factor for awarding the contract. RFQs above \$100,000 are handled by DOAS. An RFQ is the most common solicitation method.

- Buyer coordinates a Pre-Bid conference, if necessary
- Buyer coordinates all addendums as required (unlawful for there to be any communication with the vendors except through the Buyer)
- Buyer completes the RFQ tabulation and seeks consensus from department on the lowest cost responsive / responsible vendor.
- Once consensus is reached, Buyer awards the RFQ and issues a PO

### **Request for Proposal**

A Request for Proposal (RFP) is a formal solicitation method that seeks to leverage the creativity and knowledge of business organizations in order to provide a solution to a unique procurement. The RFP solicits sealed price proposals from prospective vendors and seeks to obtain the “best value” for the State. The RFP method does not use the cost of the project as the single determining factor, but rather uses a combination of lowest cost plus best proposed solution to determine the award. RFPs above \$100,000 are automatically handled by DOAS; those under \$100,000 may be



delegated back to GHSU on a case-by-case basis. An RFP is the second most common solicitation method.

- Buyer coordinates a Pre-Proposal conference, if necessary
- Buyer coordinates all addendums as required (unlawful for there to be any communication with the vendors except through the Buyer)
- Buyer completes the RFP Mandatory Requirements Evaluation form
- Buyer assembles and coordinates dissemination of documentation to Project Evaluation Committee for review
- Buyer facilitates proposal Evaluation process.
- Buyer, in consort with Project Evaluation Committee, determines need for negotiations and best and final offers.
- Once the Evaluation process is completed, the project is awarded to the vendor who presents the best value to the State (RFPs may be processed and awarded by DOAS/Atlanta)
- Buyer coordinates a Pre-award conference, if required
- Buyer processes a letter of intent and contract documents to the vendor for signatures
- Once the required documents are signed and returned by the vendor, the Buyer issues a PO and enters it in the system
- Buyer coordinates Post-award conference, if required
- Buyer maintains a hard copy file of the RFP and associated contract.

### **Request for Information**

A Request for Information (RFI) is a quasi-formal method for soliciting information from vendors who have knowledge or information about an industry, product, or service. The RFI method is not intended to result in a contract award but is designed to allow for the collection of industry information that will then be used to determine if an RFQ or RFP solicitation method is appropriate. An RFI is the least common solicitation method.

- Buyer coordinates an Offerors conference, if necessary
- Buyer coordinates all addendums as required (unlawful for there to be any communication with the vendors except through the Buyer)
- Buyer assembles and coordinates dissemination of documentation to department or Project Evaluation Committee for review
- Information is discussed and analyzed. The Buyer, in consort with the Project Evaluation Committee, determines if the project is worth pursuing through the RFQ or RFP process.
- If so, those processes, respectively, are followed.

## **SERVICE AGREEMENTS**

The Institution is permitted to make payment for certain services, fees, and expenses. The Department of Administrative Services (DOAS) may contract some service without prior approval. Typical services are listed below. This procedure is for those services that are over \$5000; require multiple payments regardless of the dollar amount and/or equipment

maintenance. Provisions of the Fair Labor Act will not apply to valid contractual agreements. Contracts, which include reimbursable expenses, should reflect the Georgia State rates for the per diem charges. The Contract Administrator is the only authorized person to sign and issue contracts to a contractor or individual.

### **Disallowed Services:**

- Individuals for services that should and are typically performed by classified employees. Individuals should be either recruited by Human Resources to fill vacant budgeted positions on a temporary basis or through the Extra Duty process (personnel who are currently employed in other budget units). These individuals will be paid through the normal Payroll system. Services such as data entry, IT services, clerical, routine technical or laboratory services, custodial, maintenance, etc.
- Budget unit that provides like services. The Interdepartmental Request (IDR) should be used for procuring those services from other budget units. Services such as: Medical Illustration, Printing, Copying, Security, Moving, etc
- Temporary or part-time employees. Human Resources should be contacted for employment processing when the service time is to exceed 12 months. If short term, the requester should obtain the list of staffing vendors from Human Resources for staffing provided by a Temp Agency. Payments for these agencies should be a Check Request processed to AP.
- Guest Lectures, Continuing Education Guest Faculty and Preceptors. These must be processed on a Check Request through AP
- Engineering and Architectural services requested directly from a department (Renovation Request form must be processed through Facilities Mgmt)
- No employee, for himself or for any business in which he or his family has a 25% or more interest, can transact any business with the agency he is employed.

### **Approved services**

- Professional Services (do not require DOAS approval):  
Services that meet the dollar and payment criteria which are defined by law as only services rendered by a member of one of the following professions:
  - Certified Accountant
  - Attorney
  - Physician
  - Dentist
  - Architect
  - Engineer
  - Psychologist
  - Land Surveyor
  - Chiropractor
  - Optometrist
  - Veterinarian
  - Interior Designers

- **Non-professional Services:**  
Those not included, as professional services are consultants, computer, clergy, paralegals, draftsmen, etc.
- **Construction Contracts: (do not require DOAS approval)**  
All renovation requests must be processed through Facilities Mgmt. Typically, a public bid opening is held for each project. The bids are Posted on the Georgia Procurement Registry and Plan Rooms.
- **Annual Maintenance:**  
These contracts will only be encumbered for the term within the current fiscal year (exception when there is a one time annual payment fee). They must reflect the start & end dates, serial & property record numbers, room locations and payment schedule (monthly or annually).
- **Miscellaneous Services:**  
Termed contract either for a specific time frame or by the “job” for specific dollar amount, these will require a signed formal contract.

## GLOSSARY

- [Attachment A](#)  
This form was designed as an evaluation tool that will be used by Purchasing and Accounts Payable to determine whether a service provider meets the guidelines of a contractor or GHSU employee. The provider prior to the actual service being performed or the processing of either a Check Request or Contract must complete these forms. Depending on the service provider’s response, Human Resources may need you to begin employment-processing procedures. The department must coordinate with Human Resources to initiate those procedures.
- [Check List](#)  
This is a complete description of the scope of work or deliverable, start and end dates, payment schedule and sources reviewed.
- [Sole Source](#)  
This is a justification for exemption from Georgia state laws and certain purchasing processes. It should reflect specific reasons why the service should be obtained from a particular vendor. Those reasons must state the specific capability of the vendor that is not available from other vendors and why those capabilities are needed for the particular job.
- **Proposal**  
This should be a document on the vendor’s letter head stating what they are offering to provide, the estimate price structure and any special terms or conditions for performing the job.

Vendor Agreement/Contract - This is a standard contractual document from the vendor.  
This document should never be signed by anyone other than the Contract Administrator

### **Department**

\$4,999 or Less

- Complete the Check List and Attachment A forms, obtaining all necessary signatures
- Enter REQ in system
- Fax all forms: Check List, Attachment A, vendor proposal and/or contractual document to the Contract Administrator, referencing the REQ number

\$5,000 or more

- Complete the Check List form
- Complete a Sole Source form, if applicable
- Obtain all appropriate signatures
- Enter the REQ in system
- Fax any and all of the above forms or documents to the Contract Administrator, referencing the REQ number

Multiple Payments Regardless of Dollars

- Complete the necessary forms stated above
- Enter the REQ in the system
- Fax all forms and documents stated above to the Contract Administrator, referencing the REQ number

### **Purchasing**

- The Contract Administrator will review the attachments for completeness and compliance with Purchasing procedures.
- If the service is less than \$4999 but with multiple payments or over \$5000 and Sole Sourced, the Contract Administrator will prepare contract documents and attach the Attachment A to forward to the service provider for completion and signatures
- If over \$5000 and not Sole Sourced, the Contract Administrator will prepare a Request for Information (RFI), Request for Quote (RFQ), or Request for Proposal (RFP) to as many providers as possible. The RFI, RFQ, or RFP and all related documents will be posted on the [Georgia Procurement Registry](#).
- Renovation projects will be processed by the same standard practices with the addition of possibly being posted in the various Plan Rooms.
- The Contract Administrator will review the responses for compliance and forward the results to the requester or task committee if need be. After approval by the requester or committee, all contract documents will be forwarded to the service provider for signatures. (Renovation project responses are open at a public bid opening in Facilities Mgmt. If the project is within budget, a Letter of Intent, contract document and Insurance & Bond requirements are forward to the contractor for signatures).
- If the returned contract documents meet all the criteria of an independent contractor, and all requirements are met for the Renovation project, a Notice to Proceed and signed contract will be issued to the provider with a copy to the requestor. The REQ will be then, and only then, processed into a Purchase Order in the system.

- If the returned documents do not meet the independent contractor criteria for services, the department will be notified by Purchasing with instructions to contact Human Resources.
- In the event there are legal issues with the provider, a copy of the contract documents will be forwarded to the Legal Office to resolve.
- The Contract Administrator maintains a hard file for all contracts documents.
- Required renewals will be electronically sent to the original requester approximately 60-90 days prior to expiration of the contract. If no response is received, the contract will be canceled and if the requester still needs the service, a new contract will have to be written following the above procedures.