BUSINESS AND FINANCE DEPARTMENT
Office of Procurement

Effective Date: 9/1/2026

PROCUREMENT SERVICES – POLICIES AND PROCEDURES

Policy Number	560-01
Approval Authority	President
Responsible Administrator	Chief Financial Officer
Responsible Office	Business and Finance
Policy Contact	Office of Procurement

PROCUREMENT SERVICES

POLICY AND PROCEDURES

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1.0 POLICY STATEMENT

Tennessee State University (TSU) is dedicated to establishing a comprehensive and effective procurement process with the primary goal of acquiring necessary supplies, equipment, and services in a manner that provides the greatest benefit to the university community. This commitment encompasses a thorough evaluation of various factors, including quality, service, value, pricing, and the availability of items at the time of purchase. These considerations are crucial for ensuring that the university's needs are met efficiently and effectively. Additionally, university resources may be used for official purchases only.

In addition to evaluating these factors, TSU places a strong emphasis on compliance with all relevant laws, regulations, and the specific requirements set forth by funding sources. This adherence to legal and regulatory standards is essential in maintaining the integrity and accountability of the university's procurement activities.

As part of this procurement policy, the historical performance, capabilities, and capacities of potential vendors will be considered in the decision-making process. This includes assessing previous experiences, the reliability of suppliers, and their ability to meet the university's specific needs.

Furthermore, TSU is committed to maximizing the use of competitive bidding as a means of ensuring the best possible outcomes for the university. By soliciting multiple bids for purchases, TSU aims to foster an environment of transparency, fairness, and competitive pricing, ultimately leading to better value for the institution and its stakeholders. This strategic approach not only promotes fiscal responsibility but also supports the university's mission of delivering excellence in education and service.

2.0 IMPORTANCE AND REASON FOR THE POLICY

The procurement policy at TSU establishes a comprehensive framework to ensure that all purchasing activities are conducted in an ethical manner, with transparency, and in strict adherence to applicable federal, state, and institutional regulations. This policy not only encourages fiscal responsibility but also fosters a fair and competitive environment for vendor selection, ensuring that the university's financial resources are utilized effectively and responsibly.

Moreover, adherence to this procurement policy is critical for maintaining the integrity of the university's internal controls and operational effectiveness. Any failure to comply with the stipulations outlined in this policy and the associated procedures can result in serious consequences. Such repercussions may include disciplinary measures ranging from reprimands to termination of employment or expulsion from the institution, in accordance with the university's established policies.

Additionally, it is important to recognize that only individuals with delegated authority are authorized to sign contracts on behalf of the university. If a person without the necessary authority signs a contract, the university retains the right to render that contract null and void. Additionally, the individual who signed may be held personally liable for any costs or obligations arising from the contract, highlighting the critical need to adhere to proper procurement protocols.

2.0 DEFINITIONS

Aggrieved Respondent	A respondent, who was not awarded a contract and claims his or her rights were infringed in connection with a solicitation or award by the University.
Approver	An individual appointed by a financial manager to approve financial transactions in Banner and in Tiger$hoppe.
Banner Finance	A computerized on-line system used to produce and maintain the University's financial records (ERP).
Blanket PO	A purchase order that allows for recurring purchases of goods and services.

Buyer/Agent	A person who acts exclusively as an agent of the Director of Purchasing for procurement and other purchasing matters. As such, is designated to sign and authenticate purchase orders for the Director. All buyers adhere to and follow ethical practices in all relationships when dealing with vendors and adhere to ethical guidelines.
Calendar Day	All days in a month, including weekends and holidays. In the event a final calendar day falls on a weekend, holiday or other day where offices are closed, the next business day becomes the final calendar day.
Change Request	A requisition directing Procurement to amend or cancel a purchase order.
Chief Procurement Officer	An official of the State as defined by T.C.A. § 4-56-104; the chief procurement official of the University.
Commodity Codes/Classes	A universal taxonomy for identifying commodities and services in procurement issued by The National Institute of Government Purchasing (NIGP).
Competitive Bid Process	Qualified vendors are provided with a fair opportunity for their goods and services to be considered through a formal bid process.
Contracting Party/ Contractor	A person or legal entity with the independent legal capacity to contract or be sued that has been awarded a contract through proper authority.
Cooperative Purchasing Agreement	A written contract procured for the benefit of two or more governmental entities to make purchases of goods or services.
Debarment	A Vendor that has been excluded from participation in procurements or contracts.
Designee	An individual appointed by a financial manager to act on his or her behalf when creating and approving financial transactions in Banner and TigerShoppe.
Emergency Purchase	A purchase made during an actual emergency arising from unforeseen causes without the issuance of a competitive solicitation.

Evaluation Team	The committee comprised of persons who will evaluate responses to a RFP. All persons serving on an evaluation committee will be adequate to the scope and nature of the procurement.
Financial Manager/ Fiscal Analyst	Authority is granted to create or approve and monitor financial transactions in Banner and TigerShoppe. A financial manager/fiscal analyst is expected to consider appointing designees, approvers, requesters and receivers to act on his or her behalf and to oversee their activities.
FOAP	An acronym that stands for Fund, Organization, Account, and Program. It is a financial coding structure used in the Banner finance system to classify and track expenditures, revenues, and budget transactions.
Fully Executed Contract	A signed contract that has been duly approved by all necessary signatories as required by policies, guidelines, and laws.
General Services Administration (GSA)	The procuring agency of the U.S. Federal Government.
Gift	A voluntary transfer of goods or services to the University made gratuitously and without consideration.
Grant	Any grant of money awarded to the University, for the furnishing by the University of assistance, whether financial or otherwise, to any person or entity to support a program authorized by law. The term "Grant" does not include an award with the primary purpose of procuring a product, whether in the form of supplies, services, or construction, or any contract resulting from such an award that should otherwise be provided on a competitive basis.
Hosted Catalog	An online version of a supplier's printed catalog. Hosted catalogs contain product data and details, along with pricing information for each item. When a product search is conducted in TigerShoppe, the products in all of the hosted catalogs are searched. Hosted catalog search results contain product information from all suppliers depending on the search criteria entered by the user.
Immediate Family	A spouse, parent, sibling or child.
Invitation to Bid (ITB)	A formal competitive process soliciting bids from possible suppliers for a one-time procurement of product(s) and/or service(s) with an estimated threshold above $50,000 wherein sealed written bids must be solicited from at least fifteen (15) qualified vendors.

Invoice	A formal, itemized document submitted by a vendor to request payment for goods delivered or services rendered. It serves as a financial record that details the quantity, description, unit price, and total cost of the items or services provided, as agreed upon in a purchase order or contract.
Ionwave	A web-based eProcurement and bid management platform to streamline and manage the competitive bidding process. The system enables procurement professionals to create, post, and manage solicitations (such as Invitations to Bid, Requests for Proposals, and Requests for Quotes), while allowing vendors to register, view opportunities, and submit responses electronically.
Notice of Intent to Award	The University's written notice to a bidder/proposer of a solicitation that the evaluation is complete, that names the respondent who is considered for award, and states that the procurement file is open for public inspection.
Non-responsive	Failure of a bidder/proposer who submits a response to a solicitation to conform in all material respects to the solicitation’s requirements.
Proposal	A Proposer's response to the University's solicitation for goods or services.
Proprietary Purchase	The procurement of a good or service that is protected under trade secret, patent, trademark, or copyright law by a vendor having exclusive legal right to provide, manufacture, or sell the good or service.
Protest	A written complaint filed by an Aggrieved Respondent in connection with a solicitation or award of a contract by the University.
Punch-out Catalog	Integrated external links to a supplier's web-based catalog. The user is connected electronically to the selected punch-out catalog to search and select products from a supplier's web catalog; the items are returned to the TigerShoppe shopping cart. The selected items are then submitted through the standard requisition/order process.
Purchase Order	A written or electronic document issued by the University’s Procurement Services Office to a supplier authorizing a purchase.
Quote	A formal document provided by a vendor that outlines the estimated cost, terms, and conditions for supplying specific goods or services. Quotes are typically requested during the sourcing process to compare

	pricing, specifications, and delivery timelines from multiple suppliers before making a purchasing decision.
Registered Vendor List	A list of potential bidders who have successfully completed the University's vendor registration process.
Request for Information	A solicitation sent to a broad base of potential suppliers for the purpose of developing strategy, building a database, or preparing for a Request for Proposal or a Request for Quotation.
Request for Proposal (RFP)	A formal written solicitation for sealed written proposals to provide goods or services to the University for threshold above $100,000.
Request for Quote (RFQ)	An informal procurement method if the estimated amount of the purchase (or revenue) has an estimated threshold between $10,000 and $50,000 wherein written, telephone or electronic bids must be solicited from at least three (3) qualified vendors.
Requisition	An internal electronic request submitted by a department or user in TigerShoppe to initiate the purchase of goods or services. It is the first step in the procurement process and must go through the appropriate approval workflow in TigerShoppe before a purchase order (PO) is generated and sent to the vendor. It includes detailed information such as item descriptions, quantities, estimated costs, vendor information, and account codes.
Response	A respondent's written response to a solicitation.
Responsible Bidder/ Proposer	A vendor who has the capacity in all material respects to perform fully the contract requirements, and the integrity and reliability that will ensure good faith performance.
Responsive Bidder/ Proposer	A person who has submitted a proposal which conforms in all material respects, to the terms of a solicitation.
RFP Coordinator	The University's procurement professionals who act as the primary point of contact and manage the procurement process.
Small Dollar Purchases	The procurements of goods or services totaling less than the amount required for competitive bids.
Sole Source Purchase	The procurement of a good or service from a single uniquely qualified vendor.

Solicitation	A written document that facilitates the award of a contract to Contracting Parties for goods or services. Examples of solicitations include, but are not limited to, a Request for Quotation, a Request for Information, and a Request for Proposal.
State Procurement Office	The State office established and empowered by T.C.A § 4-56-104.
Statewide Contract	A contract for goods or services established by the State Chief Procurement Officer that all State Agencies must utilize and that may be used by local governments, higher education and not-for-profit entities.
Supplier/Vendor	A person or legal entity who has the legal capacity to enter into contracts and who supplies goods or services to the University through a contract or a purchase order. A "supplier" includes all persons or legal entities referenced as "vendors" in this Guideline.
Term Contract	A contract for goods or services in which a source or sources of supply are established for a specified period of time at an agreed upon price or prices.
TigerShoppe Requester	An individual appointed by a financial manager to create purchase requisitions and create receipts of goods in the e-procurement system.
TigerShoppe	A computerized e-procurement system used to manage the University's procurement process online. The TigerShoppe application includes modules that address each step in the procurement process: shop and compare, create requisition, requisition approval process, create and distribute purchase order, receive, and invoicing.

4.0 PROCEDURES

I. General

A. Ethical Standards in Purchasing and Procurement

1. Employees who are primarily responsible for the purchase of goods and/or services must discharge their duties and responsibilities fairly and impartially.

2. Employees will grant competitive bidders' equal consideration, regard each transaction on its own merits, and foster and promote fair, ethical and legal trade practices.

3. It will be a breach of ethical standards for any employee who is involved in procurement to become or be, while such an employee, the employee of any party contracting with the particular governmental body by which the employee is employed.

B. Conflict of Interest

All transactions governed by this policy will adhere to the Tennessee State University Conflict of Interest Policy. Employees must be sensitive to situations that may pose a conflict of interest or the appearance of a conflict of interest so that they are perceived at all times as objective, ethical, free from bias or undue influence, professional, and fair in performing their duties. In conducting purchasing and procurement activities, TSU employees will maintain an appropriate level of vigilance to preserve the highest possible standards of ethical behavior and to avoid any potential conflicts of interest or the appearance of conflicts of interest.

1. It is a breach of ethical standards and a conflict of interest for any employee, in the performance of his or her official duties, to participate directly or indirectly in any proceeding or application, request for ruling or other determination, claim or controversy, or other particular matter pertaining to any contract, or subcontract, and any solicitation or proposal thereof, in which to his or her knowledge:

    a. he or she or any member of his or her Immediate Family has substantial financial interest; or

    b. a business or organization in which he or she or any member of his or her Immediate Family has a substantial financial interest as an officer, director, trustee, partner or employee, is a party; or

    c. any other person, business, or organization with whom he or she or a member of his or her Immediate Family is negotiating or has an agreement concerning prospective employment is a party.

2. The determination of whether a substantial financial interest exists will be based upon University purchases from businesses in which an employee or family member has a financial interest:

    a. T.C.A. §12-4-103 declares that it is unlawful for any state official or employee to “bid on, sell, or offer for sale, any merchandise, equipment or material, or similar commodity, to the state of Tennessee” or “to have any interest in the selling of the same to the state” during that person’s term of employment and for six months thereafter.

b. Disclosure of any such transaction by an employee or member of the employee's family or by a business in which an employee or member of the employee's family has any significant (more than 4%) ownership interest or for which an employee or employee family member serves as an officer.

c. T.C.A. §12-4-106(b)(2013) declares that it is a conflict of interest for any person or any company with whom such person is an officer, a director, or an equity owner of greater than 1% interest to bid on any public contract for products or services for a governmental entity if such person or "immediate family" of such person is a member of a board or commission having responsibility for letting or approving such contract.

d. For the purpose of this section only, "immediate family" means spouse, dependent children or stepchildren, or relatives related by blood or marriage.

e. Direct or indirect participation will include, but not be limited to, involvement through decision-making, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or purchase standard, rendering of advice, investigation, auditing or in any other advisory capacity.

II. Purchasing Authority

A. Approval Authorities

Procurement of goods and services made in accordance with the guidance provided herein may be approved by the President, Chief Financial Officer, or Chief Procurement Officer of the University.

B. Authority to Obligate the University

No employee has authority to make any purchase commitment, enter into any contract for goods or services, or otherwise take action with respect to third parties which may be construed as financially binding to the University except through the authority of Procurement Services, unless specifically authorized by other applicable University policy or in writing by the President. This policy applies to all expenditures of funds.

C. Approving Authority for Certain Actions

The Chief Financial Officer or the Chief Procurement Officer will be the approving authority for the following actions only when substantial written justification is submitted:

1. Award Other Than Low Bid

2. Sole Source/Proprietary Purchase or Non-Competitive
3. Emergency Purchases

D. Limitations of Liability

The following types of agreements and contracts will be expressly subject to the approval of the President or designee. These purchases may require the additional approval of the Tennessee Fiscal Review Office or the State Building Commission (SBC), etc., as appropriate.

1. Purchase, disposal or lease of real property.
2. Purchase of insurance or agreements providing insurance or other benefits.
3. Purchase of all capital outlay projects.
4. Purchase of personal, professional or consultant services contracts over $249,999.
5. Purchase or lease of data processing equipment

E. Goods, Materials and Supplies

Procurement of goods, materials, and supplies under this guideline will not require a monitoring plan but will comply with University internal controls and audit procedures.

III. Procurements Generally

The procedures set forth in this section will apply to all procurements of goods or services. In cases where University policies and procedures do not address a specific procedure for purchase of a particular item, federal and state requirements will govern, as applicable.

A. Competitive Bidding

All purchases will be based upon the principle of competitive bidding except as may be, otherwise, provided herein. It is the responsibility of the Chief Procurement Officer to ensure that the competitive bid process is fair and open. Required documentation related to competitive bidding will be routed through the University's procurement/contracts office, prior to the purchase, to ensure compliance with applicable policies and guidelines.

B. Split Purchases

1. No procurement will be divided or split to circumvent the proper procurement process. For example, if seven items totaling $12,000 are needed for a particular project or purpose and can be obtained from a single source of supply, these items should be obtained via a competitive process instead of multiple Small Dollar Purchases. Similarly, if purchases that fall within the Small Dollar Purchase authority (less than $10k) are of a recurring nature and the aggregate total is expected to exceed the amount allowable for Small Dollar Purchases, the procurement is presumed to exceed the Small Dollar

Purchase authority and a competitive procurement method must be used (e.g., RFQ or informal quotes).

2. If an estimate of total expenditures cannot be determined, but may exceed the bid threshold, a competitive process should be followed.

C. Official Use or Benefit of University Purchases

All purchases must be for official University use or benefit and support the University's mission. Each ordering department is responsible for determining that all items to be purchased are necessary. Regardless of the funding source (State, Federal or otherwise), University purchasing procedures are applicable in all cases where the expenditure is from funds administered by the University.

D. Unauthorized Purchases.

1. No individual has the authority to enter into purchase contracts or in any way to obligate Tennessee State University for procurement indebtedness unless specifically authorized to do so by the President, Vice President for Business and Finance, or the Director of Procurement. Any such negotiations are considered unauthorized purchases, and the individual may encounter a personal obligation to the vendor.

2. Firms ordinarily doing business with the University are aware of this policy and are advised that all purchases legally chargeable to Tennessee State University must be authorized by an official Tennessee State University purchase order signed by an authorized buyer. Exclusive of the debit voucher procedure, the University will not reimburse officers or employees for the cost of any such purchases on behalf of the University unless previous arrangements to that end have been made.

E. Purchase of Hazardous Materials

Federal and state laws govern the purchase, control and use of narcotic and dangerous drugs. In order to ensure that such materials are ordered, shipped, and subsequently stored, safeguarded and used in accordance with government regulations and codes, applicable regulations will be followed.

F. Purchases from Small/Minority/ Women/ TN Service Disabled Veteran-Owned Businesses

1. The University, in accordance with state and federal law, will actively promote and encourage diversity participation with small, minority, women and TN service disabled veteran owned businesses, as further defined in the Minority/Ethnicity form.

2. The University will encourage businesses to seek certification from the Governor's Office of Business Initiatives and Development (GoBID), as applicable.

3. Procurement Services maintains a list of small, minority-owned, women-owned and TN service-disabled veteran-owned businesses that can provide goods and services for University departments.

IV. Procurement Methods and Practices

A. Small Dollar Purchases

The University may make non-recurring purchases through TigerShoppe totaling less than $10,000, cumulatively in expense or revenue, with supporting documentation of any quotes or proposals from vendor. Purchasers should take appropriate steps, e.g., conducting price comparisons, processing appropriate contract documents, etc., to ensure that such Small Dollar Purchases are made based upon terms, conditions and pricing that are in the best interest of the University.

B. Informal Solicitations

For purchases totaling $10,000 - $49,999.99, a Request for Quote (RFQ) must be solicited from at least three (3) Responsive/Responsible Bidders/Proposers. Informal bids or quotes do not require an original signature, and bids may be written, electronically transmitted or telephoned. Each Bidder must be given the same minimum bid requirements to ensure equal consideration. Complete file documentation will be maintained.

C. Formal Solicitations

1. A formal solicitation process will be used when the estimated aggregate total of the expense or revenue is $50,000 or more, including renewal terms of multi-year awards. Written sealed bids must be solicited from fifteen (15) vendors or the number of vendors on the Registered Vendors List--whichever is less and to all that request the specific ITB/RFP. The Chief Procurement Officer must approve the use of less than fifteen (15) vendors. In addition, if the annual estimated aggregate total of the purchase is $100,000 or more, solicitations must be sent in a manner that verifies proof of delivery.

2. There are three types of formal solicitations.

   a. Request for Information (RFI). An RFI may be used to gather information regarding the capabilities, including technical aspects and services offered, by various suppliers/vendors for particular goods or services. The information resulting from the RFI will typically be followed by a competitive process for the actual procurement.

   b. Invitation to Bid (ITB)

1) Goods, materials, and supplies (cumulatively called "goods") should be awarded to the best Responsive and Responsible Bidder pursuant to an ITB.

2) An ITB may be used to procure services, if the specifications for delivery of such services are defined to a level of detail such that award is made to the best, lowest Responsive and Responsible Bidder. Examples of this type of service may include but are not limited to: pest control; security services; moving and hauling; refuse collections; charter services; printing services, and maintenance services.

3) In the Invitation to Bid, the Procurement Department will provide the bidder with information describing the functional requirements of the system, purpose of the procurement, technical requirements, bidder qualifications, and any other information considered relevant to the goods and services being acquired.

c. Request for Proposal (RFP)

1) For competitive procurements of goods and/or services, where cost is not the only determining factor for award, an RFP using the Standard RFP Template should be used.

2) Under $50,000, sealed bid with cost and technical proposal submitted as one document. (under $50,000 does not require sealed bids; can be written, telephone or electronic).

3) Over $50,000, sealed bid with separate sealed technical and cost proposals which must be submitted at the same time. Compliance with the mandatory RFP requirements will be determined by the RFP Coordinator in consultation with the Chief Procurement Officer or designee.

4) An RFP will specify all steps and evaluation criteria as necessary to finalize selection of the successful proposer.

5) A multi-step RFP process should be used when additional steps are necessary to qualify and/or demonstrate the goods and/or services proposed.

6) The bidder will submit a technical offer sufficient in detail so as to constitute the technical specifications of the purchase.

7) As specified in the RFP, all technical offers must be received by the institution at the designated time and will be opened in the same manner as a competitive sealed bid. Technical offers will not be made public until the inspection period following evaluation of the bids submitted with prices.

8) Acceptability of technical offers will be determined by an evaluation team appointed by the President, or his designee. All technical offers will be evaluated based on the criteria of the invitation to bid and other information learned during

the technical evaluation process. All vendors whose technical offers are deemed acceptable will be invited to participate in a confidential discussion of unpriced technic

9) al offers. Offers not deemed acceptable will not proceed to the pricing phase.

10) Bid Price. At the conclusion of the evaluation phase of the multi-step sealed bidding process, bidders will be required to submit a bid price clearly defining the cost of their technical offer in accordance with the invitation to bid.

11) For contracts that result from an RFP, the university is not permitted to change the scope of the service(s) once a contract is awarded. (Department of General Services Procurement Division, Agency Procurement Procedures Manual, Revision Twelve, Approved by the Board of Standards, January 30, 2007.

D. Award

Each contract will be awarded to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the invitation to bid.

E. Determining Type of Solicitation

1. For competitive procurement of goods, an RFQ is appropriate, and in general, a purchase order may be used to finalize the purchase.

2. Except as permitted under Section VI.A.2., for competitive procurement of services, an RFP is more appropriate, and a purchase order is generally not sufficient to serve as the written contract for the services.

3. For procurement of services which will require the President's approval, the Standard RFP Template Format will be used.

F. Reverse Auction

A reverse auction process allows for specified goods or services to be made available electronically during a specified time period. When conditions are favorable, University may elect to use a reverse auction procurement method to achieve maximum competition among qualified Respondents, and to obtain the highest level of quality at the lowest price for goods or services. An award will be made to the best Responsive and Responsible bidder.

G. Procurements Under Another State Entity's Bid Process

University may purchase goods or services using the competitive procurement process of another state entity. The process of the other state entity must have specified that the University or other Institutions would be permitted to purchase under the process. University is strongly encouraged to include language in its competitive processes to allow extension of its process for use by other Tennessee institutions as well as state departments. The Section does not preclude University from using a Statewide Contract as a bid in accordance with its competitive bidding process.

H. General Services Administration (GSA) Contracts

When a vendor maintains a General Services Administration (GSA) agreement with the United States of America, or any agency thereof, TSU's procurement office may directly negotiate with that vendor for the commodity/services provided for in the GSA agreement. The price will not be higher than that contained in the contract between the General Services Administration and the vendor affected.

I. State Manufactured Goods and Services

The University is required to purchase goods and services from other State agencies, e.g. Department of Correction, Tennessee Rehabilitative Initiative in Correction (TRICOR), Tennessee Business Enterprises, and Community Rehabilitation Agencies (CMRA) / TRUST in Tennessee, whenever such items or services are available therefrom and meet the desired conditions and standards. Such contracts may be based upon non-competitive negotiation.

J. Procurements under Cooperatives

Pursuant to the Tennessee Interlocal Cooperation Act, T.C.A. §12-9-101, the University may purchase goods and services through University-approved Cooperative Purchasing Agreements. The current approved list of University contracted cooperatives may be found at: https://www.tnstate.edu/procurement/

K. Emergency Purchases

The University may make purchases of goods or services without utilizing formal solicitation procedures, to meet bona fide emergencies arising from any unforeseen cause. To initiate an emergency requisition, the authorized person must submit an approved requisition to Procurement Services stating on the requisition, "Emergency Request." If the cost of the emergency requisition is $10,000 or more, the ordering department will complete and attach the Emergency Purchase form on the requisition justifying the emergency to the Chief Procurement Officer. Bona fide emergency purchases must be approved by the Chief Procurement Officer, President, or designees, and documentation of the circumstances of any such emergency will be

maintained. Emergency purchases must be made on a competitive basis and processed by the University's Procurement Services office, if practicable.

L. Competitive Negotiation/Alternative Competitive Procurement Method

1. A competitive negotiation process may be used only in cases when the University is unable to obtain needed goods and/or services by a traditional competitive bid process. Reasons to use a competitive negotiation process include:

    a. Public need will not permit the delay incident to the RFP process;
    b. No acceptable proposals have been received after the RFP process;
    c. Rates payable for the services are regulated by law;
    d. Other circumstances as approved by the University.

2. The requesting party will work with the University's procurement office to define the process to ensure the safeguarding of the information and provide fairness to the vendors in the process.

3. Use of the competitive negotiation process requires prior approval of the President or designee.

4. File documentation specific to each use of competitive negotiation will be maintained.

M. Non-Competitive Procurements

Contracting with another State/Governmental Entity. Personal, professional and consultant service contracts may be obtained by non-competitive negotiation when the contractor is a State Agency, a political subdivision of the state, or any other public entity in Tennessee, or an entity of the federal government.

N. Sole Source and Proprietary Purchases

1. Whenever specifications are not so worded or designed to provide for competitive bidding, a Sole Source or Proprietary Purchase may be allowed. A Sole Source Purchase is available only from a single Supplier; a Proprietary Purchase allows for a competitive procurement process to be used that specifies a particular good or service.

2. Written justification for Sole Source or Proprietary Purchases must be submitted in writing for approval by the President, Chief Procurement Officer or their designee. The Sole Source or Proprietary Purchases Form must be completed and approved by the University Procurement Services Office.

3. In addition to the Justification for Sole Source Form, the following additional documentation may also be required as a part of the request:

    a. A letter from the vendor, which details the basis for non-competitive procurement, based upon the factors listed in Section d. below.

    b. Letter(s) from business and industry which support the purchase of a particular good or service as industry or business standard.

    c. A letter from the manufacturer specifying their distribution practices, i.e. available only directly or through distributors. (Note: All letters mentioned in this section are to be provided on the originator's company letterhead and must be signed by an authorized official of the company).

    d. Factors to be considered in determining Sole Source and Proprietary Purchases include the following:

        1) Whether the vendor possesses exclusive and/or predominant capabilities or the items contain a patented or copyrighted feature providing superior utility not obtainable from similar products;
        2) Whether the product or service is unique and easily established as one of a kind:
        3) Whether the program requirements can be modified so that competitive products or services may be used;
        4) Whether the product is available from only one source and not merchandised through wholesalers, jobbers and retailers;
        5) Whether items must be interchangeable or compatible with in-place items;
        6) Whether the cost of conversion, including but not limited to disruption, retraining and replacement precludes bidding competitively;
        7) Whether the product is to be used in an instructional setting and the intent is to provide instruction on the specific product or diversity of products
        8) Other justification(s) as approved by the President, Chief Financial Officer, Chief Procurement Officer or their designees.

    e. For goods and certain services where a purchase order is required, the Sole Source or Proprietary form must be completed and approved by the Dean/AVP level of authority. Additionally, a letter of justification on department letterhead should be signed by the Dean/AVP level of authority and submitted with the Sole Source or Proprietary form. This form, along with an approved purchase requisition and a signed letter from the vendor indicating that it is a sole source or proprietary provider will be submitted to Procurement Services for approval prior to goods or

services being acquired. For purchase orders and contracts of $250,000 or more, the additional approval of the President, or designee, is required.

f. For personal, professional, and consultant services contracts, the Non-Competitive Form must be completed and approved. This form, along with the Contract/Agreement Routing form; Agreement for Personal, Professional and Consultant Services form, and Minority/Ethnicity form will be submitted to Procurement Services for approval prior to services being acquired. Procurement Services will forward contracts to Legal Counsel or the Chief Financial Officer to obtain the approval of the President. The additional approval of the President, or his designee, is required if the dollar amount is $250,000 or more. Prior approval of the Fiscal Review Committee is required on all non-competitive (sole source) contracts of $250,000 or more and for a term greater than one (1) year. (Allow a minimum of 60 days prior to the effective date of the agreement).

O. Purchases for Resale in Auxiliary Enterprises

Certain items for resale for which customers have expressed a preference, and/or promotional items procured under accepted retail merchandising practices, may be purchased without adherence to requirements for minimum notice and number of bids. Appropriate documentation will be maintained which supports the action taken.

P. Special Purchase Categories

1. Purchases for Libraries

a. The University will be responsible for developing procurement policies and procedures for its library.

b. Purchases of materials for additions to a library collection, e.g., books, electronic or hard copy, are capital expenditures and can be made without formal bids or quotations.

c. Library purchases are to be made by one of the following methods:

1) Sole source/proprietary purchases (must be documented).
2) Use of an existing contract/agreement between the University and the vendor.
3) Use of other existing LGI and TBR system institutions contracts/ agreements.
4) Use of other existing University of Tennessee system institutions contracts/ agreements.
5) Use of cooperative purchasing groups.

6) Purchases of electronic journals, subscriptions, and databases for libraries will be procured through the University's Procurement Services Office in instances when a competitive process can be used or when Fiscal Review Committee is required.
7) In addition, any required electronic or written agreements to license journals, subscriptions, or databases will be routed through the University's Procurement Services Office for review and approval prior to use.
8) Appropriate documentation must be maintained for purchases to support Sole Source Purchase Library purchases for electronic media may be subject to Accessibility Standards. (See Section XIV).

2. Grant Purchases

a. Purchases utilizing grant funding will comply with the conditions of the grant and applicable state and federal guidelines. https://www.govregs.com/regulations/expand/title2_chapterII_part200_subpartD_subjgrp31_section200.318

b. State grant purchases for goods or services will not be made from vendors on the State of Tennessee Debarred Vendors List, https://www.tn.gov/content/dam/tn/generalservices/documents/cpo/other/Debarred_Vendors.pdf

c. Federal grant purchases for goods or services will not be made from vendors on the List of Parties Excluded from Federal Procurement and Non-Procurement Programs, available at http://www.sam.gov.

3. Utility Contracts

a. University will purchase or contract for all telephone, electric light, gas, power, postal and other services for which a rate for the use thereof has been established by a public authority in such manner as the University deems to be in the best interest of the State of Tennessee.

b. Each such purchase or contract will be made on a competitive basis, whenever possible, unless it has been determined that such purchase is single/sole source. If such purchase has been determined to be single source, the purchase will then be made pursuant to the section above related to Non-Competitive Negotiation.

4. Acquisition of Computer Systems

a. All computer hardware, software and related equipment must be approved by the IT Department prior to purchase.

b. Procedures for Ordering Dell Computers

1) The University has a contract with Dell Marketing, L.P. for computer systems and peripherals. To place an order and utilize the University's negotiated pricing, users must log on the TigerShoppe Eprocurement system. From the Home page, users can enter Dell's website by selecting the Dell punch-out catalog icon.

2) Users can browse and select items within the site, "add them to a cart", save as an "E-quote" and then select "Create Order Requisition." Users will be directed to a "Shipping" page, in which a series of questions are required to be answered.

3) Upon completion, select "Submit Order Requisition" and the requisition will be imported to the TigerShoppe Eprocurement systems. Users can review the draft requisition and then select "Place Order."

5. Gifts

Gifts do not require a procurement process subject to this Guideline. Refer to Gifts and Donations Guideline.

Q. Outsourcing

The University recommends determining whether some services can be delivered more economically by the private rather than the public sector. The following process is hereby permitted and encouraged:

1. The state's cost of the service may be ascertained and kept confidential as part of the evaluation process. This cost must be finally determined and provided to the President, as appropriate, in a sealed envelope prior to bid/proposal due date.

2. The service may be the subject of an ITB/RFP, as appropriate, which approximately describes the services provided by the University.

3. The ITB/RFP may require that if the proposer's/bidder's price exceeds the state's confidential cost, the proposal/bid may be rejected.

R. Alcohol, Drugs, and Hazardous Merchandise

Federal and state laws govern the purchase, control, and use of narcotic and dangerous drugs. To ensure that such materials are ordered, shipped, and subsequently stored, safeguarded, and used in accordance with government regulations and codes, applicable regulations will be followed.

S. Sales Tax Exemption

Supplies, equipment and services purchased by the University, or goods or services acquired for resale are tax exempt, and taxes will not be paid. A Tax Exemption Certificate will be issued in the name of the vendor providing the services. All tax exemption certificates will be issued and signed by the Chief Procurement Officer and emailed rather than be given to the individual requesting the certificate.

T. Loan of Equipment

The loan of equipment to outside agencies, organizations, and other educational institutions must have prior written approval by the President or his designee.

U. Removal of Equipment/Property From University Premises for Personal Use

The removal of equipment and/or movable property from University premises is prohibited unless prior written approval is obtained from the Vice President for Business and Finance. People who do not have such written request in their possession when removing University equipment/property from the premises may be subject to a charge of property misappropriation.

V. Purchasing Process

A. Initiating a Purchase via Tiger$hoppe Eprocurement System

1. Using the Tiger$hoppe Eprocurement System, a purchase requisition is submitted by the University department to request the Procurement Services Office procure a given good and/or service. All Purchase Requisitions require sufficient detail, as specified by the University's Procurement Services Office, to allow the proper and timely processing to acquire the goods or services.

2. The TigerShoppe system is accessible through the myTSU Portal. Purchase requisitions will be submitted on-line by accessing the TigerShoppe system.

3. Purchase requisitions/requests will result in a Purchase Order or Competitive Solicitation.

4. TigerShoppe Eprocurement System can be used to create requisitions, monitor approval workflow, query, track requisition and cancel requisitions.

5. The purchase requisition should include, but not be limited to the following:

    1. Information describing the purpose of the acquisition, technical requirements, bidder qualification and any other information considered relevant to the goods or services being acquired. Whenever possible, all specifications for

materials, supplies, equipment and services will be worded or designed so as to permit open and competitive bidding. If available, furnish with the purchase requisition such specifications, catalog pages, brochures, or other data as will provide an adequate basis for determining the quality and functional capabilities of the products being requested.

2. Quantity or amount of articles or services required.

3. Approximate time of delivery.

4. Estimated cost of goods or services. Attach the preferred supplier's quote.

5. Capital or sensitive minor equipment items must be coded as equipment account code in order for the Fixed Asset System to identify items required to be tagged.

B. Access to Tigershoppe

1. A financial manager is expected to give careful consideration to appointing designees, approvers, requesters and receivers to act on his or her behalf and to oversee their activities.

2. A user must complete the Banner Access form posted on the Finance and Accounting website and submit it per the instructions on the form before submitting requisitions.

3. A new user for TigerShoppe com should register at https://solutions.sciquest.com/apps/Router/Login?OrgName=TSU&URL

4. Users can access their own profile and set up basic information such as, user settings, email preferences, ship to addresses, and custom fields such as frequently used FOAP codes. Users can select one FOAP code as a default.

C. Workflow Approvers

1. For all approval workflow changes, or if the setup of approvers is needed for new funds and/or organizations, an email request should be submitted to the Associate Director of Procurement Services or designee.

2. To provide for segregation of duties in initiating and approving requisitions, the individual creating the requisition (requester) cannot be the same person who approves the requisition (approver).

3. A requester in TigerShoppe may be a financial manager, designee, approver or receiver. Electronic approvals are established by the financial manager of the Organization

associated with the purchase. Additional approval authority is provided through the approval hierarchy in the Banner Finance System.

4. Purchase requisitions are submitted by the requester and authorized by the approver and forwarded electronically through the TigerShoppe system to Procurement Services to process and approve into a purchase order.

5. When purchase requisition approval is provided, the approver is authorizing the expenditure of funds when goods or services are receipted in TigerShoppe.

6. Note on Internal Controls. A key element of an organization's internal control over purchases is the monthly review of financial transactions by the responsible financial manager. Reports are available through Banner and/or TigerShoppe.

D. Requisition Workflow

1. Creating shopping carts and checking out.

   1. The TigerShoppe system provides an efficient, one-stop shopping experience for all purchase requests. Users can find; comparison shop in hosted catalogs; and select products, services and negotiated prices in on-line catalogs (hosted and punch-out).

   2. Then, users transfer shopping cart items electronically, along with specifications and attachments, if needed, to one or more purchase requisitions.

   3. Other functionality includes creating favorites, placing non-catalog item orders, copying requisitions to a new cart, deleting carts, approving requisitions, reviewing the history of documents, and entering receiving.

   4. After reviewing and updating the order, the final step is to select the "Place order" button to complete the order.

2. Approving requisitions

   After a requisition has been placed, individuals with financial manager, designee, or approver status may review, modify, reject, or approve requisitions for which they have budget authority.

E. Accessing Historical Data

Departmental users may review and export historical data from TigerShoppe, including purchase requisitions, purchase orders, receipts, and invoice information. By clicking the History tab, users may search for specific documents or a range of

documents using various filters in the system. The information contains details about any items ordered, approved, rejected, received, invoiced and distributed.

F. Purchase Order

A purchase order means a written or electronic document issued by the University's Procurement Services Office to a vendor authorizing a purchase. Sending a purchase order to a supplier constitutes a legal offer to buy products and/or services. Acceptance of a purchase order by a supplier forms a contract between the University and the supplier. Delivery by the supplier constitutes acceptance of the purchase order. See Purchase Order (PO) Terms and Conditions.

G. Contract

A contract is a written agreement which conforms to University Contract Policy and Procedures.

H. Receiving

1. Receiving through TigerShoppe allows authorized users to electronically state that they have satisfactorily received goods or services in accordance with the purchase order. This is a vital step in the procurement process that, in connection with receipt of an invoice, initiates payment for goods or services received.

2. An authorized user may enter a receipt by locating the purchase order and selecting either "Create Qty or Cost Receipt." The receipt will automatically be populated with the purchase order information. Add any additional information, such as packing slip, carrier, tracking, or notes. Review each line item data, enter the appropriate quantity received, and select the “complete” button. Receipts may be entered for partially or fully completed orders.

3. Receipt information is attached to the original purchase order, and department users can see that information by viewing the purchase order in the Status tab. The receiver may be any authorized TigerShoppe user in the ordering department.

I. Canceling or Withdrawing a Requisition

Requisitions can be cancelled or withdrawn utilizing one of the following methods:

1. Prior to selecting the final step of a requisition, Place Order, user may choose to remove selected line items or all items.

2. After a user has selected Place Order, the department's financial manager or designee (approver) may go to the Approval tab, assign the requisition to his/herself, and then reject selected items or withdraw the entire requisition.

3. After a requisition has been placed and approved by the department's financial manager or designee (approver), it will be processed according to TigerShoppe workflow (additional approval, bid, sole source, contract review, etc., as appropriate) and subsequently the purchase order is sent electronically to the vendor. Departmental approvers may request changes to a requisition by submitting a Change Request form within the TigerShoppe system. Procurement Services can then cancel or change the order, as appropriate.

J. Closing Encumbrances on Purchase Orders

1. Financial managers or business officers should review monthly budget reports to determine if outstanding purchase orders are complete and need to be finalized.

2. If it is determined that no additional activity will occur on a specific purchase order (e.g., all items have been ordered, received, invoiced and paid), but a remaining balance is still indicated in the Banner Finance System, departments should send a Change Request form in TigerShoppe to request that the remaining encumbrance is to be closed.

K. Processing Payment of Invoices

1. An authorized TigerShoppe user is responsible for receipting the items received or services performed into the TigerShoppe system. Through the receipt process, the receiver is confirming the supplies, materials, or equipment received or services performed are equal in quality and quantity to those requisitioned. This is a vital step in the procurement process that in connection with receipt of an invoice initiates payment for goods or services received.

2. Vendors are to submit invoices to Accounts Payable within five (5) days after shipment of goods or services rendered. The purchase order number must appear on the invoice. Invoices must show applicable trade and cash discounts. A separate invoice showing the purchase order number must cover each shipment.

3. Departments will not communicate with the vendor to have invoices forwarded to them, which is a violation of University policy. All invoices should be directed to the Accounts Payable office at accountspayable@tnstate.edu; however, if a user receives the invoice, user should indicate the purchase order number on the invoice and forward it to Accounts Payable. This will ensure that payment is made against the approved purchase order. Invoices will be paid within forty-five (45) days of receipt and must show at a minimum, the following:

   a. Vendor name and address
   b. Purchase order number
   c. Item description and number
   d. Quantity, unit, unit price and extension for each item discount, if applicable.

4. Documents Required for Payment

   The following documents are required to support payment:

   a. Duly authorized purchase order
   b. Receiving report
   c. Invoice

5. Prepayment

   1. Occasionally, it becomes necessary to make advance payment for items. This is always true for U.S. Government documents from the Superintendent of Documents and for certain other items, usually of small value. In such cases, information is needed regarding the accurate and complete description of the item required; the item's price and catalog number; and the correct name and ordering address of the supplier.

   2. When ordering U.S. Government publications, an order form must be attached to the purchase requisition. Order forms can be obtained from Procurement. Also attached to the requisition should be any supporting documentation, such as an advertisement, letter from the vendor, proforma invoice, etc.

   3. Prepayment will only be made for goods and services upon receipt of written approval prior to issuing the purchase order.

6. Partial Payments

   In accordance with the terms of the purchase order for which partial payment is required, a continuation form must be used for the articles or services received in part.

7. Special Disbursement

   Disbursement for the following types of transactions require payment to be made within the prescribed time as provided on the invoice since the purchase was not encumbered prior to the obligation being made:

   a. Debit voucher payment
   b. "Emergency" purchase order

8. Supporting Documentation

   All of the above requests for payment must be supported by invoice and/or a receipt.

L. Purchasing Card (P-CARD- separate guideline)
A purchasing card is an acquisition of goods and/or services using a payment method whereby purchasers are empowered to deal directly with suppliers for purchases using a credit card issued by a bank or major credit card provider. Generally, a pre-established credit limit is established for each card issued. Purchasing card purchases are subject to the requirements of University policies, guidelines, and applicable state laws. Refer to Procurement Card Policy & Procedures.

M. Competitive Solicitations

1. Formal or Informal Solicitations

Whenever a purchase necessitates a competitive solicitation, the solicitation may be a formal or informal process and may take the form of a Request for Quote (RFQ), Invitation to Bid (ITB), or Request for Proposal (RFP), which may involve a multi-step process in order to determine the successful proposer. The steps and components defined below are required in a competitive solicitation, regardless of its form.

2. Planning the Solicitation

1. Proper and sufficient planning should be performed to ensure the successful acquisition of the goods/services. Such planning may include, but not be limited to, the following:

1) Determine appropriate method of procurement, i.e., RFQ/ITB/RFP, based upon nature and scope of deliverables being purchased;
2) Estimate expected total expenditure or revenue;
3) Confirm availability of funds for expenditure;
4) Evaluate historical spending trends for the same or similar items;
5) Draft open specifications using available information sources;
6) For all ITB/RFPs exceeding $100,000, Bid Specification Written Certification form from the author or committee that the specifications, to the best of their knowledge, are not proprietary will be documented in the bid file.
7) Identify existing equipment, if any, as trade-ins;

a) Define timeline for receipt of deliverables;
b) Determine evaluation criteria, i.e., how an award will be made, such as lowest total cost, lowest cost per item or groups of items, best overall evaluated bidder, etc.
c) Identify prospective vendors.

2. Scope of Work and Specifications

1) Whenever possible, the scope of work and procurement specifications for goods and services will be worded or designed to permit open and competitive solicitation.

2) The scope of work is a detailed description of what is required of the vendor to satisfactorily perform or deliver what is required under the contract. The scope of work should provide a clear and concise description of the desired goods and/or services.

3) Specifications used for competitive bidding will be functional or performance specifications, when practicable, and must be clear, unambiguous and written to promote open and fair competition. Specifications may take the following forms:

    a) Descriptive Specifications. A descriptive format consists of a conventional listing or paragraph text description of specification data and should; if practicable;
    b) Identify the product using generic terminology in the description;
    c) List any characteristics that determine performance capability and identify those characteristics that are essential in order to meet performance requirements; and
    d) Detail the minimum or maximum acceptable performance requirements for each characteristic with as much tolerance and flexibility as practicable.

3. Specifications Based on Brand Name

    1) All brand and model numbers used for the purchase of goods must be those in current production and available in the market. The use of brand and model names alone will not be permitted as a substitute for performance or functional specifications, unless providing performance or functional specifications is impracticable. When an item is specified by the use of brand names, the words "or equal" should be included.

    2) Reference to brand names, trade names, model numbers, or other descriptions peculiar to specific brand goods, is made to establish a required level of quality and functional capabilities. It is not intended to exclude other goods of comparable quality or functionality. Comparable goods of other manufacturers will be considered if proof of comparability is contained in the response.

    3) It will be the responsibility of the vendors, including vendors whose product is referenced, to furnish with the bid such specifications, catalog pages, brochures or other data as will provide an adequate basis for determining the quality and functional capabilities of the product offered. Failure to provide this data may be considered valid justification for rejection of a bid.

4. Specifications Based on Standard Specifications and Scopes of Work

The University may develop standard specifications and scopes of work for the procurement of goods and/or services which fit, insofar as possible, the requirements of the majority of its departments that use the same.

5. Specifications Based on Catalogs, Price List, or Price Schedules

   Specifications may require vendors to respond to a solicitation using a plus (+) percentage (%), minus (-) percentage (%), or net cost offered as a discount or surcharge applying to the goods listed in the catalog, price list, or price schedule described within the solicitation. Solicitations of this type will include a specific list of items for competitive analysis.

6. Specifications Based on Qualified Goods List

   Specifications may include a list of pre-approved brands and model numbers that meet the requirements. Whenever such pre-approved items are listed, the solicitation will provide an opportunity for the submittal of additional items for consideration by the University for inclusion in the approved brands/model numbers. If additional items are approved for bidding, notification will be provided to all bidders. The decision to approve additional brands/models for bidding will be at the sole discretion of the University.

N. Life Cycle Costing

The life cycle costs of commodities as developed and disseminated by the federal government will be used as feasible. In determining life cycle costs, the following factors may be considered in the bid evaluation:

1. the acquisition cost of the product;
2. the energy consumption and the projected energy cost of energy over the useful life of the product; and
3. the anticipated resale or salvage value of the product.

O. Energy Efficiency Standards

1. Energy Star is a joint program of the U.S. Environmental Protection Agency and the U.S. Department of Energy that has established energy efficiency standards utilized by the federal government in its contracting for major energy-consuming goods.

2. The Energy Star website, http://www.energystar.gov/, provides a qualified list of goods meeting Energy Star's minimum energy specifications, life cycle costing calculations, life cycle cost formula information, and qualified goods that meet Energy Star's rating for using less energy and helping to protect the environment.

3. University may use goods listed on the Energy Star website's list of qualified goods as "acceptable brands and models" on bid documents.

4. Office equipment, appliances, lighting, and heating and cooling products and systems purchased by University will be qualified by Energy Star; provided, that such Energy Star qualified products and systems are commercially available.

P. Specifications to Permit Remanufactured/Recycled/Re-Refined/ Used Goods

1. All goods offered and furnished must be new unless the ITB/RFP specifically permits offers of used, remanufactured, or reconditioned.

2. ITBs/RFPs which specifically permit offers of used, remanufactured, or reconditioned goods will require a warranty; however, the President, Chief Procurement Officer or designee will have the authority to waive this requirement.

3. For applicable procurements, whenever the University deems such to be advantageous, specifications may be worded or designed to permit bidding of remanufactured/recycled/re-refined/used goods. Such specifications will be comparable in use and quality to new materials, supplies and equipment.

Q. Specifications for Purchases of Chemical Products

Specifications for purchases of chemical products will require the vendor to provide a material safety data sheet (MSDS) for such chemical products as listed on the national MSDSSEARCH repository. A site, operated by or on behalf of the manufacturer or a relevant trade association, will be acceptable so long as the information is freely accessible to the public.

R. Drafting the Solicitation

The University's procurement office will prepare a solicitation document using the information developed during solicitation planning. The solicitation document will include sufficient information to permit a complete and accurate bid/proposal and will, at a minimum, contain the following information:

1. The required sole point of contact from the University;
2. The time and place that bids will be received and opened;
3. Information describing the purpose of the procurement, technical requirements, bidder qualifications, and any other information considered relevant to the goods or services being acquired;
4. The quantity of goods or services required;
5. If the estimated expenditure or revenue exceeds $100,000 annually, the solicitation document will specify at least one question/answer period and/or pre-bidders' conference, with a written record of questions and responses provided to all prospective bidders;

6. Expected time of delivery;
7. Amount of insurance, bid or performance bond, if any;
8. Pro-forma contract, if applicable, containing the terms and conditions required by the University;
9. Description of the criteria used to evaluate bids/proposals;
10. Date bids/proposals will be available for public inspection;
11. An inquiry to bidder regarding whether other Tennessee higher education institutions and/or state agencies may purchase from the contract; and if so, the period of time during which the contract terms and pricing will be available to other institutions; and

12. Standard terms and conditions applicable to the solicitation.

S. Minimum Notice and Number of Bids

The minimum required notice and number of bids for competitive solicitations will be as follows:

1. If the estimated amount of the purchase (or revenue) is at least $10,000 but less than $50,000, written, telephone or electronic bids must be solicited from at least three (3) qualified vendors. When telephone bids are solicited, a record of the bidders and amounts bid will be maintained.

2. If the estimated amount of the purchase (or revenue) is $50,000 or more, written sealed bids must be solicited from fifteen (15) vendors or the number of vendors on the Registered Vendors List--whichever is less and to all that request the specific Solicitation. TSU's Chief Procurement Officer must approve the solicitation of less than 15 bids.

3. If the annual estimated amount of the purchase is $100,000 or more, solicitations must be sent in a manner that verifies proof of delivery.

4. An RFQ for goods must be sent at least fourteen (14) days (ten (10) days when all vendors are local vendors) before the date that the bids are scheduled to be opened.

5. For RFPs and applicable RFQs, (for example, those RFQs having requirements in addition to or other than the purchase of goods), a minimum of four (4) to six (6) weeks should be allowed for vendors to adequately prepare a competitive proposal based on the method of RFP or RFQ delivery, bid specifications and pre-bidders questions/responses.

6. A vendor's general or standing request for notice for all RFQs/RFPs or all RFQs/RFPs of a given type will not suffice as a request for a specific RFQ/RFP and will create no obligation on the institution.

7. An ITB for goods and services must be sent at least fourteen (14) days [ten (10) days when all vendors are local vendors] before the date that the bids are scheduled to be

opened. The Chief Procurement Officer may approve a shorter number of days for Guideline or electronic informal bids, as applicable.

8. For RFPs and applicable ITBs, e.g. an ITB having requirements in addition to or other than the purchase of goods, a minimum of four (4) to six (6) weeks should be allowed for vendors to adequately prepare a competitive proposal based on the method of RFP or ITB delivery, bid specifications and pre-bid/proposal questions, comments, and responses. Examples of solicitation processes which would need to allow at least six (6) weeks include, but are not limited to:

    a. Banking and other financial services;
    b. Bookstore and food services operations;
    c. Custom software and/or IT system services;
    d. Advertising management services, and
    e. Any other bid for which the additional time is appropriate.

9. A vendor's general or standing request for notice for all Solicitations of a given type will not suffice as a request for a specific Solicitation and will create no obligation on the University.

T. Communication with Bidders/Proposers

When specified in the solicitation document, all bidders will communicate only with the procurement sole point of contact. Failure of the bidder to communicate with the procurement sole point of contact may result in disqualification. Amendment and/or modifications to the requirements will be in writing and provided to all prospective Respondents. No solicitation may be orally modified or amended.

U. Pre-Bid/Proposal Conference/Question and Answer Period

If appropriate, a pre-bid/proposal conference and/or a question and answer period will be included in the solicitation process. The purpose of the pre-bid/proposal conference and question-and-answer period is to provide prospective bidders/proposers the opportunity to submit questions/comments regarding the solicitation. A written record of all questions/comments submitted along with the University's official responses is to be prepared and made available to all prospective bidders, as an addendum to the solicitation document.

V. Solicitation Amendments

Bids/proposals will take into consideration any and all amendments to the solicitation document, and responses will reflect any changes made to the solicitation. Should extensive changes to a solicitation document be required, the University may elect to cancel the solicitation and reissue it based upon a revised solicitation document.

W. Delivery of Bids/Proposals

Bids/Proposals must be received at the specified location on or before the date and hour designated for bid opening. All bids received will be date and time stamped to show compliance with the designated opening date and time. Late bids will be rejected and may be retained unopened in the bid file or returned to the bidder/proposer upon their request. Whenever an unopened bid is returned to a vendor, a written record will be maintained.

X. Vendor's Information on Bid

Each bid should include the bidder's full name and business address. If the vendor is a corporation, the name will be stated as it appears in its corporate charter. Any resulting contract or purchase order will be issued to the business name specified in the bid.

Y. Bid Format and Signature

Bids must be in the form specified by the University. All formal bids must bear a signature. The signatory on the bid must have authority to bind his or her company in the contract.

Z. Bid Withdrawal, Revision, and Rejection

1. Bid Withdrawal

a. Before bid opening, a vendor may be permitted to withdraw a bid entirely and/or submit a substitute bid. The vendor making such a request must submit suitable identification.

b. After bid opening, a vendor will be permitted to withdraw a bid only where there is obvious clerical error in the bid such as a misplaced decimal point, or when enforcement of the bid would impose unconscionable hardship due to an error in the bid resulting in a quotation substantially below the other bids received. Withdrawal of a bid after bid opening will be considered only upon written request from the vendor. In cases of errors in the extension of prices in the bid, the unit price will govern.

2. Bid Revision

a. A bid may not be revised after bid opening; however, after evaluation is completed and the successful bidder/proposer is selected, the university may initiate negotiations which serve to alter the bid/proposal in a way favorable to the university. For example, prices may be reduced, time requirements may be revised, the bid/proposal may be revised to supply omitted contract terms, etc.

b. In no event will negotiations increase the cost or amend the proposal such that the apparent successful proposer no longer offers the best proposal.

3. Bid Rejection

a. All bids will be subject to rejection by the President, Chief Procurement Officer or respective designees.

b. Any proposal that restricts the rights of the University or otherwise qualifies or limits the bid/proposal may be Non-Responsive, and the bid/proposal may be rejected.

c. If the University determines that a bidder/proposer has provided information which the proposer knew or should have known was materially incorrect, or was not submitted independently without collusion, the subject bid/proposal may be determined Non-Responsive and may be rejected, and the bidder/proposer may be excluded from the solicitation opportunities.

d. Action to reject all bids will be taken only for unreasonably high prices, errors in the ITB/RFP, cessation of need, unavailability of funds, failure of all proposals to meet technical specifications, lack of competition, a determination that the goods/services can be more economically delivered pursuant to an agreement with another Tennessee higher education institution or other State Agency, or a determination that proceeding with the procurement would be detrimental to the best interests of the University, the reason for which must be documented and approved by the President, Chief Procurement Officer, or their respective designees.

e. When it becomes necessary to reject all bids, in a formal solicitation process, the reason for such rejection must be set out in complete detail and made available to all bidders who submitted a bid.

f. If another solicitation document is to be issued, all prior bids/proposals will remain closed to inspection by the public until the evaluation of the rebid is complete.

AA. Acceptance of Bids/No Rights Created

1. Notwithstanding any provision contained herein or in any solicitation document, submission of a bid/proposal will not create rights, interests or claims of entitlement in any bidder/ proposer, including the successful bidder/proposer. Notwithstanding any action or agreement to the contrary, no such right, interest, or claim will exist unless and until a purchase order has been issued or a Fully Executed Contract is issued.

2. If awarded, the contract for purchase will be awarded to the lowest qualified and responsible bidder, taking into consideration quantifiable factors including but not limited to the apparent ability of the bidder to perform the proposed contract, the conformity of the articles or services to the specifications, any discount allowed for prompt payment or for any other reason, transportation charges, and the date of delivery specified in the invitation to bidders.

3. A bond for the faithful performance of any contract may be required in the discretion of the University. A complete written record of all procedures and justifications will be maintained for each purchasing transaction to provide a clear audit trail.

4. Each bid should give the full name and business address of the bidder. Unsigned bids will be rejected. The person signing the bid must show his title, and if requested, must furnish satisfactory proof of his authority to bind his company in contract.

5. Bids must be typed or written legibly in ink; otherwise, they may not be considered. Purchase order will be issued to the firm name appearing on the bid.

6. Alternate bids will not be considered unless specifically called for in the bid.

7. All bids received will be publicly opened and examined by the Director of Procurement or his designee at the time and place specified in the Invitation to Bid. All bids conforming to the invitation together with the name of the bidder will be recorded, become a matter of public record, and remain open to public inspection after award.

BB. Evaluation and Award

1. When more than one item is specified in the bid, the University may specify in the bid document that it will have the right to determine the low vendor(s) either based on each individual item, a group of items, or the total of all items.

2. Awards will be given to the lowest qualified, responsive, and responsible bidder that meets the required specifications, taking into consideration quantifiable factors including but not limited to the conformity of the goods and/or services to the specifications, any discount allowed for prompt payment or other reason(s), transportation charges, and the date of delivery specified in the solicitation.

3. Cash discounts will be considered in making an award of bids.

4. Unit Price Controlling. In case of a mistake in the extension of a price, the unit price will govern.

5. Awards for Any or All Items. An award may be given to the lowest aggregate bidder for all items on invitation, on a group or an individual basis, whichever is found to be in the best interest of the University.

6. All bids are subject to rejection by the University, and in those instances where evaluation dictates the rejection of the lowest bid as not meeting the standards established in the invitation, a complete factual statement will be recorded on the bid summary sheet as a part of the permanent records to show the reason for rejection, become a matter of public record, and remain open to public inspection.

7. After bids have been evaluated and the successful bidder has been determined, the Director of Procurement will issue a written purchase order to the vendor.

8. Vendors attending a bid opening will be required to sign the Bidders Attendance and Registration Form.

CC. Evaluation of Bids Received in Response to an RFP

1. An RFP includes subjective as well as objective evaluation criteria. Evaluation of proposals submitted in response to an RFP is based upon a points system, whereby a contract for purchase of goods or services is made to the best evaluated proposer and not necessarily the lowest cost proposer.

2. The RFP requires that a proposal contain separately sealed technical and cost proposals. The goal is to permit the evaluation of a proposal's technical capabilities by a selected group of evaluators without considering the cost factor.

3. Compliance with the mandatory RFP requirement will be determined by the RFP Coordinator in consultation with the Chief Financial Officer or designee.

4. Evaluation of technical offers will be determined by an Evaluation Team. Members of the Evaluation Team should be adequate and appropriate to the scope and nature of the RFP. Members of the Evaluation Team must complete the Evaluator Conflict of Interest/Confidentiality Form.

5. Procurement Services representatives will review the proposals to ensure procurement procedures were followed and will offer guidance to the Evaluation Team, but will not serve on the Evaluation Team, and will not score technical proposals received, except in instances where the RFP is directly related to a good/service needed by the procurement department.

6. Any technical offers will be evaluated based on the criteria of the RFP and other information learned during the technical evaluation process.

7. Technical offers not deemed acceptable will not proceed to the pricing phase. Cost proposals will not be opened if the associated technical proposal has been deemed Non-Responsive and is rejected by the University.

8. Technical proposals must not include any cost proposal information. Inclusion of cost proposal information in a technical proposal will result in automatic disqualification of the proposal without further consideration.

9. Technical proposals are opened and scored separately prior to cost proposals being opened/evaluated. Once technical scores are finalized, the RFP Coordinator will open

and score the cost proposals based upon the criteria as set out in the RFP, with the lowest cost bidder receiving the highest score and remaining proposers receiving a pro- rated score thereafter.

DD. Site Visits and Presentations

A solicitation may provide site visits to bidder/proposer locations by evaluators and/or presentations by bidders/proposers as part of the evaluation process. In such an event, any scores resulting from these activities will be applied prior to the opening of the cost proposal.

EE. Samples

A sample may be requested on any item bid to be submitted either at the time the bid is submitted or prior to award. Usually, the invitation will specify whether samples will be required. Each sample must be labeled clearly with the vendor's name, address, commodity classifications, brand and model, and bid invitation number. All samples submitted must be representative of the commodities or equipment which will be delivered if a contract is awarded. Samples submitted by successful bidders will be retained for use in comparing items delivered under the contract.

FF. Transportation Charges

No samples will be accepted by the Procurement Department unless transportation charges, including cartage, have been prepaid. Samples received from bidders who are not successful will be returned upon written request and payment of all shipping costs by the bidder.

GG. Tied Responses – Resolution

A tie exists when two or more Respondents offer goods or services that meet all specifications, terms and conditions at identical prices including cash discount offered for prompt payment. A tie will be broken by considering the following factors, in descending order:

1. First preference will be given to a “Tennessee Bidder”. Pursuant to T.C.A. § 12-4-121(c)(2), a “Tennessee Bidder” means a business that is:

    a. Incorporated in this State;
    b. Has its principal place of business in this State; or
    c. Has an established physical presence in this State.

2. Second preference will be given to a certified Disadvantaged Business Enterprise (DBE) bidder.

3. Third preference will be given to the bidder who was the low bidder on other items being bid for the same requisition.

4. Fourth preference will be given to the bidder who offers the best delivery.

5. If a tie remains, it will be broken by lot or coin toss.

HH. Notice of Intent to Award

For RFPs and applicable ITBs, a notice of intent to award will be sent to all Responsive and Responsible bidders/proposers containing, at a minimum, the content provided by the University.

II. Alternate Bids

a. Alternate bids will not be considered unless specifically called for in the bid.
b. The scope of the good(s)/service(s), as defined in the solicitation, will form the basis of the resulting contract and cannot be expanded beyond the scope of the final solicitation document.

JJ. Audit

In order to provide a clear audit trail, the ITB/RFP file (hard-copy or electronic) will contain, at a minimum, the following:

1. Documentation from the requesting department,
2. A copy of the ITB/RFP issued (including specifications),
3. A list of vendors for the solicitation, including the date vendors were sent the ITB/RFP and bidder's actions,
4. For RFPs and applicable ITBs, any pre-bid questions/responses or addendums to the ITB/RFP,
5. Any vendor correspondence (i.e. intent to propose letters, questions, etc.),
6. For RFPs and applicable ITBs, all documentation relating to the composition of the Evaluation Team and the evaluation documentation used to make the award,
7. As applicable, any documentation that warrants a rebid of the ITB/RFP
8. Any informal bid complaints and the respective responses/actions,
9. Any formal bid protests,
10. As applicable, copies of intent to award letters,
11. Purchase order and/or contract or respective reference information,
12. And any other documentation applicable to the procurement.

KK. Exemptions

Certain procurements/payments, as specified by the University, may be exempted from these processes/procedures. These include but are not limited to the following:

1. Telephone bills
2. Utility bills, including connection fees
3. Internet connection fees
4. Freight charges
5. Postage charges
6. Notary public fees
7. Fees in connection with titles or title searches
8. Vehicle rental while on approved travel
9. Tuition, fees and supplies for state employees
10. Medical Emergency expenses

LL. Change Order

1. The Change Request form in TigerShoppe will be used to alter or cancel a purchase order. The University may make changes in quantities, drawings, specifications, and time for performance of the order. An equitable adjustment in the price or delivery or both should be made.

2. Change Orders are not needed to make payment as follows (specific examples):

    a. A quantity variance of less than ten percent (10%) on an individual purchase order (usually associated with printed material, bulk shipments, i.e., coal, feed, rock, etc.).
    b. Incorrect extensions - unit price will prevail.
    c. A vendor's inability to ship an item on a purchase order resulting in a decrease in the total amount of the purchase order.
    d. Authorized freight charges (debit voucher payment).
    e. All of these conditions can be corrected without requesting a purchase order change by liquidating the entire amount on the purchase order at the time the disbursement voucher is written and expending the correct amount.

MM. Change Order Procedure for Bond Fund Projects

1. All requisitions for capital outlay expenditures excluding change orders and confirmations are prepared and initiated by the Director of Campus Planning and/or Director of Facilities Management.

2. Authorized signatures are obtained including verification of funds by the Budget Officer and forwarded to the University Purchasing Department after all required approvals have been outlined.
3. Specifications and related documents, if any, are audited and/or corrected, if necessary. When required, the University's Purchasing Department solicits bids and evaluates them prior to submission to the Tennessee Board of Regents. Subsequently, the Tennessee Board of Regents' requisition is prepared by the University and

forwarded to the Board's Office of Facilities approval, i.e. Chancellor, Vice Chancellor for Facilities Management, Office of the State Architect, and the Department of Finance and Administration.

4. If recommendations are acceptable, a purchase order is issued by the Tennessee Board of Regents.

5. Payment

   Upon completion of the project and/or delivery of all items per approval of the requisition and purchase order, the payment voucher is prepared in the Accounts Payable section. If a final payment is made, the paying copy of the purchase order will be returned along with the final payment voucher to the Tennessee Board of Regents.

NN. Procurement Records

1. All records of purchases are open and accessible to the public during the regular operating hours of the Procurement Office.

2. Request for inspection of records must be reasonable, contain sufficient information for retrieval. and must not interfere with the orderly operation.

3. Vendors' application form, which includes financial disclosure information, or the identity of prospective vendors prior to bid opening, where such disclosure might negate the competitive bid process, is not open to the public.

4. Records are available for review after the evaluation and prior to the award. A Vendor Bid Review Record will be made for each visit. Vendors are encouraged to attend bid openings on the day and at the time specified in the Invitation to Bid.

VIII. Protested Bids

A. Right to Protest

1. Protest procedures will be included, or a link thereto, in all ITBs/RFPs.

2. All proposers should know and will be deemed responsible for knowing the facts documented in the institution's procurement files on the day the institution opens the bid files for public inspection.

3. An Aggrieved Respondent may protest, in writing, to the Chief Procurement Officer within seven (7) Calendar Days from the date of notice to award. Protests must be received by the University's Procurement Services Office no later than the close of business of the seventh Calendar Day.

4. The following are the sole grounds for a protest:

    a. The contract award was arbitrary, capricious, an abuse of discretion, or exceeded the authority of the awarding entity;
    b. The procurement process violated a constitutional, statutory, or regulatory provision;
    c. The awarding entity failed to adhere to the rules of the procurement as set forth in the solicitation and this failure materially affected the contract award;
    d. The procurement process involved responses that were collusive, submitted in bad faith, or not arrived at independently through open competition; and
    e. The contract award resulted from a technical or mathematical error during the evaluation process.

5. Any issues not raised by the protesting party after the seven (7) Calendar Day period will not be considered as part of the protest.

6. Protests will include the required bond, as specified in Section VIII.C, below. Protests received which do not include the required bond will not be considered. See Example Protest Bond.

B. Signature on Protest Constitutes Certificate

1. A protest must be signed by an authorized company representative, who certifies that he/she has read such document, that to the best of his/her knowledge, it is well grounded in fact and that it is not submitted for any improper purpose, such as to harass, limit competition, or to cause unnecessary delay or needless increase in the cost of the procurement or of the litigation.

2. If a request for consideration, protest, pleading, motion, or other document is signed in violation of this subsection before or after appeal to the President, the President upon motion or upon his/her own initiative, may impose upon the person who signed it, a represented party, or both, an appropriate sanction, which may include an order to pay to the other party or parties, including the affected institution, the amount of the reasonable expenses incurred because of the filing of the protest, a petition for a stay of award, pleading, motion, or other paper, including reasonable attorneys' fees.

C. Protest Bond

1. Neither a protest nor a stay of award will proceed under this section unless the protesting party posts a protest bond. See Example Protest Bond.

2. The protesting party will post, with the Chief Procurement Officer of the University, at the time of filing a notice of protest, a bond payable to the University in the amount of five percent (5%) of the lowest cost proposal evaluated or five percent (5%) of the highest revenue proposal evaluated. Calculation of the value of the bond will be made based on the total value of the procurement, including any renewals thereof. Such protest bond will be in form and substance acceptable to the University and will be immediately payable to the University conditioned upon a decision by the Chief Financial Officer or designee that:

    a. A request for consideration, protest, pleading, motion, or other document is signed, before or after appeal to the Chief Financial Officer, in violation of Section VIII.B.;
    b. The protest has been brought or pursued in bad faith; or
    c. The protest does not state on its face a valid basis for protest.

3. The University will hold such protest bond for at least eleven (11) Calendar Days after the date of the final determination by the Chief Financial Officer. If the protesting party appeals the determination in accordance with Section VII, the institution will hold such protest bond until instructed by the Chancellor to either keep the bond or return it to the protesting party.

4. At the time of filing notice of a protest of a procurement in which the lowest evaluated cost proposal is less than one million dollars ($1,000,000), or in which the highest evaluated revenue proposal is less than one hundred thousand dollars ($100,000), a minority, women, small or service disabled veteran-owned business protesting party may submit a written petition to the Chief Financial Officer for exemption from the protest bond requirement of Section VII.A.(iii).

    a. Such a petition must include clear evidence of business classification which will be validated with the ethnicity information supplied with the solicitation. The petition will be submitted to the Chief Financial Officer who has seven (7) Calendar Days in which to make a determination.

    b. If an exemption from the protest bond requirement is granted, the protest will proceed as though the bond were posted.

    c. Should the Chief Financial Officer deny an exemption from the requirement, the protesting party will post the bond with the Chief Procurement Officer of the University as required in Section VIII.C.1. within five (5) Calendar Days of the determination.

5. Authority to Resolve Protest

a. The University's Chief Procurement Officer has the authority to resolve the protest. If deemed necessary, the University's Chief Procurement Officer may request a meeting with the protesting party to seek clarification of the protest issues.

b. The final determination of the University's Chief Procurement Officer will be given in writing and submitted to the protesting party.

c. The protesting party may request that the final determination of the University's Chief Procurement Officer be considered by the University's Chief Financial Officer. The request for consideration will be made in writing to, and received by, the University's Chief Financial Officer within seven (7) Calendar Days from the date of the final determination by the University's Chief Procurement Officer.

d. The University's Chief Financial Officer has the authority to review and resolve the protest. If deemed necessary, the University's Chief Financial Officer may request a meeting with the protesting party to seek clarification of the protest issues. The final determination of the University's Chief Financial Officer will be given in writing and submitted to the protesting party.

e. The protesting party may request that the final determination of the University's Chief Financial Officer be considered by the President of the University. The request for consideration will be made in writing to, and received by, the President within seven (7) Calendar Days from the date of the final determination by the University's Chief Financial Officer.

f. The University will have no longer than sixty (60) Calendar Days from receipt of the protest to resolve the protest.

g. The determination of the President or designee is final and will be given in writing and submitted to the protestor.

6. Stay of Award

a. Prior to the award of a contract, a proposer who has protested may submit to the Institution's Chief Procurement Officer a written petition for stay of award. Such stay will become effective upon receipt by the Institution's Chief Procurement Officer.

b. The Institution's Chief Procurement Officer will not proceed further with the solicitation process or the award until the protest has been resolved in accordance with this section, unless the Institution's Chief Financial

Officer makes a written determination that continuation of the solicitation process or the award without delay is necessary to protect substantial interests of the Institution.

IX. Reports

Reports will be submitted to the appropriate State office as follows:

1. Small/Minority/Women/Veteran-Owned Business Report

   This annual report, required by T.C.A. § 12-3-1107, consists of transactions with minority-owned, women-owned, small, and service-disabled veteran-owned businesses and will be reported to the Governor's Office of Diversity Business Enterprise (GoDBE) on a quarterly basis (January-March, April-June, July-September, and October-December).

2. RFQ/ITB/RFP Diversity Report

   This quarterly report consists of contracts/purchase orders issued from request for quotations and request for proposals for goods and/or services pursuant to T.C.A. § 12-3-1107 and will be reported to the Governor's Office of Business Initiatives and Development (GoBID).

3. Foreign Investment Act Report

   By July 31, 2021, and by July 31 of each year thereafter, each institution will prepare a foreign gifts and contracts disclosure report that includes the information required to be disclosed, pursuant to T.C.A. § 49-7-1804, and submit the report to the comptroller of the treasury and the department of safety for review. Each report must disclose the foreign gifts received and the foreign contracts entered into during the fiscal year ending on June 30 prior to the reporting deadline. If an institution does not have a gift or contract subject to disclosure under this section, then the institution must submit a foreign gifts and contracts disclosure report stating that the institution does not have a gift or contract subject to disclosures

X. Vendors

A. Vendor Registration

1. The University will maintain a process by which prospective vendors may register to conduct business with Tennessee State University.

2. The University's registration system will enable the University to generate a list of vendors who have registered to provide specific commodity classes.

Vendors may register at https://tnstate.ionwave.net/Login.aspx. Registration does not guarantee that vendors will receive RFQs, ITBs and RFPs. All bid opportunities are advertised through the Ebid system.

3. TSU may require the vendor to submit information (other than the vendor application) which demonstrates its ability to provide certain goods or services prior to inclusion on the list of vendors.

B. Tennessee Statutory Vendor Requirement/Registration

1. Illegal Immigrants

   No person may enter into a contract to supply goods or services to the University without first attesting in writing that the person will not knowingly utilize the services of illegal immigrants in the performance of the contract and will not knowingly utilize the services of any subcontractor who will utilize the services of illegal immigrants in the performance of the contract. T.C.A. § 50-1-103.

2. Sales and Use Tax

   No person may enter into a contract to supply goods or services to an entity without first registering registered or receiving an exemption from the Department of Revenue for the collection of Tennessee sales and use tax. T.C.A. § 67-6-601–608.

3. Construction Bids

   Pursuant to T.C.A § 62-6-101 et seq., construction bids with an estimated total of $25,000 or greater require bidders to provide their TN contractor's licensure information, including classification and date of expiration, with their bid response.

C. Removal from Vendors List

1. Vendors who fail to provide adequate goods and/or services may be removed from the vendors list.

2. Reported failure to comply with bids, awards, and/or orders, etc. will be documented and maintained.

3. Examples of failure to comply include but are not limited to:

   a. Over, under and/or late shipments
   b. Failure to ship

c. Damaged and/or defective products
d. Shipments not in conformance with specifications
e. Unauthorized substitutions

4. Other principal causes for removal from the vendor list are:

    a. Billing errors;
    b. Service deficiencies;
    c. Unethical practices;
    d. Misrepresentation of merchandise;
    e. Unwillingness to amend impermissible clauses; and
    f. State or federal debarment status.

5. Failure of a vendor to perform satisfactorily in any of the above areas may result in a vendor's liability for damages to the University.

6. State grant purchases for goods or services will not be made from vendors on the State of Tennessee Debarred Vendors List, https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/local-units-of-governments-/procurement-information.html

7. Federal grant purchases for goods or services will not be made from vendors on the List of Parties Excluded from Federal Procurement and Non-Procurement Programs, available at http://www.sam.gov.

8. Failure to respond to the first three (3) consecutive mailed Invitations to Bid (ITB) or Request for Quotation on a particular qualified vendor list will result in removal from that list and examination of the response on other lists. Failure to respond to fifty percent (50%) of all ITBs or RFQs on all lists may result in removal from all Qualified Vendor Lists. Reported failures to comply with bid awards and orders will become a part of the vendor’s application file.

9. Examples of failure to comply include, but are not limited to:

    a. Over or short shipped shipments
    b. Early or late shipments or failure to ship
    c. Damaged or defective products
    d. Shipments not in conformance with specifications
    e. Unauthorized substitutions
    f. Billing error(s)
    g. Service deficiencies.
    h. Failure to respond to complaints.
    i. Failure to deliver to University Central Receiving unless written exception is placed on the purchase order.
    j. Failure to forward invoice to Accounts Payable as required on the purchase order.

k. Unethical practices.
l. Misrepresentation of merchandise.
m. Sell and/or release of goods, equipment and/or supplies to any University employee without a duly authorized purchase order or proper authorization. *Note: Release of goods/services to an employee because he/she is a University employee is NOT acceptable*.
n. Violation becomes a matter of personal financial obligation between the vendor and the person(s) making the purchase.
o. Placing equipment on campus on a trial basis without proper authorization from the President or Director of Purchasing.
p. Failure to comply with the terms and conditions of the bid/quotation requirements.
q. Failure to obtain a Notice to Proceed Form when awarded a contract for construction or other similar work.
r. Consistent failures and/or an unreasonable length of time required for correcting noted deficiencies.
s. Unprofessional conduct while on campus.
t. Misrepresentation of merchandise.
u. Conviction or plea of guilty or no contest to crimes involving fraud or restraint of trade with respect to public contracts.
v. Failure to comply with any University purchasing policy

D. Complaint to Vendor

1. Initial complaints should be made as soon as possible, and copies should be distributed as noted on the Complaint to Vendor form. The copies are designed to inform all concerned of any action or lack of action as soon as possible, and with minimum effort.

2. The complaint form should be used to report all instances where the vendor fails to perform in accordance with the purchase order. This includes failure to perform by the date specified or within a reasonable length of time, and any unacceptable difference between the receiving copy of the purchase order and the merchandise received. The receiving copy of the purchase order should always be available and used in receiving merchandise or services.

3. Items with unacceptable differences that are visible should be refused, returned, and reported as returned with a full explanation of the reason for the return. Performance that is below that which can be reasonably expected or hidden damages should be reported immediately upon discovery. All complaints should be accurate and specific.

XI. Receiving

A. Freight, Shipping, Receipt, Storage and Inspection of Goods

1. Free On Board (FOB). “FOB” is an acronym for "free on board" when used in a sales contract. The seller agrees to deliver merchandise, free of all transportation expense, to the place specified by the contract.

2. FOB Destination. Under “FOB Destination,” title and risk remain with the seller until it has delivered the goods to the location specified in the contract. FOB Destination is the standard method for University shipments.

3. FOB Origin. “FOB Origin” means that title and risk pass to the buyer at the moment the seller delivers the goods to the carrier. The parties may agree to have title and risk pass at a different time or to allocate shipping charges by a written agreement. In order to agree to FOB Origin, the vendor or University must provide shipment protection for the University’s interest.

4. Receipt. Upon receipt of supplies, materials, and equipment, the receiving University will promptly make a written certification that the items received were equal in quality and quantity to those purchased by entering verification on the receipt documents (hard-copy or Eprocurement). The University’s copy of the Purchase Order may be used to verify goods or services received.

B. Shipping Documents

Upon delivery, the University will:

1. Verify that the shipping documentation names the University as the actual consignee and that the number of cartons, crates, etc., listed is the same as the amount received.

2. Examine containers for signs of external damage or pilferage. If signs of damage or pilferage are obvious or suspected, it must be noted on each copy of the freight bill and signed (not initialed) by the delivering driver.

3. Sign the freight bill and retain a copy for University's records. The notation "SUBJECT TO FURTHER INSPECTION" may accompany the University's signature.

4. Count and inspect the internal contents of all boxes, crates or cartons to determine that the material received matches the description listed on the packing slip, receiving documents, and/or purchase order, in regard to quantity, quality, size, color, model number, specifications, etc., and record in the University’s Eprocurement system.

5. If any discrepancies (i.e. wrong item(s), overages, shortages, damages) exist, they must be noted on the packing slip, receiving report, and/or purchase order. Appropriate corrective action will be taken for all discrepancies.

6. All receiving records should indicate the quantity and date received and any other information pertinent to the receiving process.

7. The material received must be retained or sent to the proper department. Damaged goods deemed unacceptable are to be retained for further disposition.

XIV. Property Loss and Theft

Property discovered as being lost or stolen will be reported immediately by the person having first knowledge of the loss or theft to the Office of Safety and Security for appropriate action. The item description, including serial number, University tag number, date of loss/theft and prevailing circumstances surrounding the loss/theft will be verbally provided to Safety and Security upon reporting such incident.

XV. Accessibility

A. TSU will seek to afford persons with disabilities the opportunity to use informational/instructional and technologies to acquire the same information, engage in the same interactions, and enjoy the same services as a person without a disability in an equally effective and equally integrated manner, with substantially equivalent ease of use.

B. The University will include language in applicable procurements that the products/services, including any updates, provided to the University will meet the accessibility standards set forth in WCAG 2.0 AA (also known as ISO standard, ISO/IEC 40500:2012), EPub 3 and Section 508 of the Vocational Rehabilitation Act.

C. When signature is required by the University to demonstrate that the vendor's product complies with the aforementioned accessibility standards, the vendor will verify accessibility by completing the Vendor Product Accessibility Statement and Documentation Form. If the vendor is not compliant with the aforementioned accessibility standards, the vendor will describe by using the Accessibility Conformance and Remediation Form its plan for product/service compliance.

XVI. Fiscal Review

A. Certain procurements/contracts must be also filed with and reviewed by the

State's Fiscal Review Committee. This includes procurements/contracts that meet all of the following criteria:

1. Contracts that are non-competitive; and
2. Contracts that have the potential of being for a period of more than one year; and
3. Contracts that exceed $250,000 in total value (including all potential renewals)

B. For all procurements/contracts that meet these criteria, the University will produce/coordinate the documentation required for Committee submittal/review

XVII. Bonds

A. Performance Bonds

1. The University may require a bond to secure a Contracting Party's performance of a contract.

2. When required, the amount of the bond will be stated as a percentage of the contract price (but may not exceed 100 percent (100%) of the total contract price), and the amount may be reduced proportionately after contract award or performance under the contract moves forward successfully.

3. All bonds must be filed with the University within fourteen (14) Calendar Days after receipt of request. Personal checks will not be acceptable in the place of performance bonds. However, bank cashier's checks will be accepted.

4. An irrevocable letter of credit or a certificate of deposit, which will be held by the University from a State or national bank or a State or federal savings and loan association having a physical presence in Tennessee may be accepted by the University in lieu of a performance bond, subject to approval of the terms and conditions of said irrevocable letter of credit or certificate of deposit.

B. Bid Bonds

1. A bid bond is a surety bond issued by an insurance company, bank, or other financial institution, to ensure that the winning proposer will enter into a contract.

2. All bid bond amounts will be stated as a set amount or as a percentage of the contract value. In no event will the bid bond amount exceed five percent (5%) of the estimated value of the contract.

3. Bid bonds submitted by unsuccessful Respondents will be returned upon award of contract.

4. Personal checks will not be accepted in place of bid bonds.

5. Other forms of security to guarantee a bid bond may include an irrevocable letter of credit or a certificate of deposit or cashier's check from a state or national bank or a state or federal savings and loan association or other financial institution having a physical presence in Tennessee.

6. The terms and conditions of all forms of security to guarantee a bid bond will be approved by the University before they are accepted as security for the Respondent's performance.

7. In addition to any applicable requirement of T.C.A. § 12-4-201, no contract for the services of a construction manager will be awarded for any public work in this state by any city, county or state authority or any board of education unless there is posted at the time of the submittal of a bid for services by a construction manager a bid bond equal to ten percent (10%) of the value of the services proposed and the value of the work to be managed or may at the time of contracting provide payment and performance bonds in amounts equal to the combined monetary value of the services of the construction manager and the value of the work to be so managed. T.C.A. § 62- 6-129.

8. Surety Required. In addition to signing the bid bond as principal, the bidder must have the bond signed by a surety company authorized to do business in the State of Tennessee. If the surety on a bond has its authority to do business in the State of Tennessee revoked, or if for any reason ceases to do business in the state, the bidder must promptly obtain another surety on the bond.

9. Condition of the Bond. The bond must be conditioned on full performance and all obligations imposed on the bidder in this Manual, by submission of a bid including the obligation to keep the price firm for as long a period as specified in the bid, and the obligation to file a performance bond when required if awarded a contract. The bid bond will provide that upon the bidder's failure to perform any of such obligations, the University may recover from the bidder and/or surety company any and all damages suffered because of such failure.

10. Deposit Agreement. If the bidder elects to deposit a certified check, cashier's check, or bank draft, it will be security for full performance of all obligations referred to above in this section. If the bidder fails to perform any one or more of such obligations referred to above, the Vice President for Business and Finance may endorse the check and retain as much of the proceeds as is

necessary to compensate the University, for any and all damages suffered because of such failure.

11. Return of Check. If a bidder is not the successful bidder, the certified check, cashier's check, or bank draft will be returned to that Bidder promptly after the award is made. The check of the successful bidder will be returned after the contract is awarded or as soon as such Bidder has filed a bid bond, if one is required.

C. Payment Bonds

1. A payment bond is a good and solvent bond to ensure that the contractor will pay for all the labor and materials used by the contractor, or any subcontractor under the contractor, in such contract.

2. University will not award any contract in excess of $100,000.00 for public work until a payment bond of twenty-five percent (25%) of the contract price is provided by the contractor to the University.

3. Where advertisement is made, the solicitation will include the bond requirement. T.C.A. § 12-4-201.

D. Protest Bond

Refer to Section VIII. C., above.

XVIII. Sourcing

The University will seek opportunities to improve efficiency and buying power by leveraging purchasing and sourcing resources across state higher education institutions and other state agencies. The University will seek advice and input from key functional areas where procurement and sourcing needs are often common and substantial. Such collaboration may result in the establishment of new collective agreements and the enhancement of existing ones to ensure that procurements are in the best interests of the state.

XIX. Prohibited Transactions

A. No personal items will be purchased through the University or from funds of the University for any employee of the University or any Immediate Family of any employee.

B. Funds appropriated by the legislature for general operating use, including the unrestricted funds budgeted to university departments, may not be used for extravagant or personal purchases, or for items or services that are not prudent or

necessary to carry out university business. Examples of prohibited expenditures include, but are not limited to:

1. Personal letterhead of stationery
2. Christmas cards
3. Personal photographs, pictures, or frames
4. Elaborate business cards
5. Office area coffee pots or coffee makers
6. Plants, flowers, or vases for decorating individual offices or classrooms
7. Gifts other than approved awards
8. Coffee, pastries or foodstuffs for consumption by the staff except in approved conference settings
9. Personal or social memberships to clubs, organizations, associations (institutional or approved individual professional memberships are acceptable)

C. No employee of the University responsible for initiating or approving requisitions will accept or receive, directly or indirectly, from any person, firm or corporation to whom any contract may be awarded, by rebate, gift or otherwise, any money, or any promise, obligation or contract for future awards or compensation.

D. Whenever any contract is awarded contrary to the provisions of University Policy Contract Services or this Guideline, the contract may be void and of no effect, and if the violation was intentional, the employee responsible for the purchase may result in disciplinary proceedings under University policy.

E. Vendor Rebates and Incentives. The University discourages personal participation in incentive programs from vendors. Such incentives may include but not be limited to rebate cash cards, debit cards, point award programs where points can be redeemed for merchandise, hotel accommodations, conference registrations, and gift cards. Instead, the lowest possible purchase price should be achieved in coordination with Procurement Services. However, when vendors offer such incentives, employees of the University should request the cash value of the incentive be sent directly to the University Accounting Office in the form of a check. If the employee directly receives any such rebates, they should be transferred to the Accounting Office. Rebates in the form of checks are normally processed by the Accounting Office with credits applied to the originating department. Where alternative cash equivalent and non-cash incentive programs exist with vendors (such as those described above), University employees are required to contact the Accounting or Procurement offices to ensure that the provisions of these procedures have been met.

XIX. Procurement Guideline

University will maintain a written procurement Guideline (i.e. electronic format) which sets forth any procedures of the University which are in addition to and necessary to comply with this Guideline.

XX. Exceptions

Any exceptions to the procedures outlined in this Guideline will be subject to the approval of the President or designee and will be requested in writing by the President or designee. Exceptions will be made on a case-by-case basis. If an exception is made, a written determination signed by the President or designee will be included in the procurement file.

5.0 AUTHORITY AND REFERENCES

T.C.A § 4-56-104	Procurement Office
T.C.A. §12-4-103	Bidding, sale, or offer for sale by state employees or members of the General Assembly prohibited
T.C.A. §12-4-106(b)(2013)	Conflicts of Interest in Public Contracting
T.C.A. §12-9-101(2024)	Tennessee Interlocal Cooperation Act
T.C.A. § 12-4-121(c)(2)	Public Property, Printing and Contracts
T.C.A. § 12-3-1107	Annual Report
T.C.A. § 49-7-1804	Disclosure of Foreign Gifts and Contracts
T.C.A. § 50-1-103	Employment of Illegal Aliens
T.C.A. § 67-6-601–608	Dealer Registration and Certificate
T.C.A § 62-6-101	Contractors Licensing Act of 1994
T.C.A. § 12-2-403	Methods of Disposal
T.C.A. § 12-2-412	Violations – Penalties
T.C.A. § 12-4-201	Contractors Bonds

6.0 HISTORY

Procurement Policy and Procedres	Adopted: June 2020