

Chapter 2

Procurement Organization

2.101 Organization

The Public Procurement Review Board (PPRB) as provided for under [Section 27-104-7, Mississippi Code of 1972, Annotated](#) shall approve any purchasing regulation established as provided for in [Section 31-7-9, Mississippi Code of 1972, Annotated](#), and shall act upon those purchasing transactions as may be, from time to time, designated by the Board as requiring Board approval. The Board shall also act on other such transactions as would be required by the procedures set forth in the regulations presented herein.

The membership of the Board shall be governed by Section 27-104-7 and consists of three (3) individuals appointed by the Governor with the advice and consent of the Senate; two (2) individuals appointed by the Lieutenant Governor with the advice and consent of the Senate; and the Executive Director of the Department of Finance and Administration, serving as an ex officio and nonvoting member.

2.102 The Office of Purchasing, Travel and Fleet Management

It shall be the responsibility of the Office of Purchasing, Travel and Fleet Management to supervise the purchases, lease-purchases, leases, and rentals of any commodities or equipment made or entered into by the agencies of the State and the Office shall have approval authority over all sales or transfers of personal property owned by agencies of the State; provided, however, that this shall not be intended to include items under the jurisdiction of the Department of Information Technology Services.

Each agency of the State shall be responsible for the procurement of commodities, equipment, and construction needed by that agency in compliance with [Section 31-7-13, Mississippi Code of 1972, Annotated](#), and with the policies and procedures established herein.

2.102.01 Procurement Regulations

- (1) Regulations shall be promulgated by the Office of Purchasing, Travel and Fleet Management, with approval of the Public Procurement Review Board (PPRB), in accordance with authority granted under [Section 31-7-9, Mississippi Code of 1972, Annotated](#).
- (2) Regulations shall not change existing contract rights.

2.102.02 Deviation from these Regulations

The Public Procurement Review Board (PPRB) may approve deviations to these regulations and may delegate the authority to approve such deviations to the Chief Procurement Officer. Any such deviation shall be based on a determination by the Board or the Chief Procurement Officer that it is to the best interest of the State.

2.102.03 Agency Procurement Officials

State agencies must designate purchasing agents as defined in Section 1.107 herein for reporting to OPTFM.

On or before January 1 of each year, and every time a purchasing agent is hired, each state agency shall provide to OPTFM the name of each purchasing agent and information identifying the state agency's central purchasing office, including location and director, if applicable.

2.102.04 Amendment to these Regulations

These regulations may be amended by the Office of Purchasing, Travel and Fleet Management, with the approval of the Public Procurement Review Board (PPRB), as authorized in [Section 31-7-9, Mississippi Code of 1972, Annotated](#).

2.102.05 Public Procurement Review Board (PPRB) Approval

The requesting agencies are required to submit a Request for Authority to Purchase, P-1, to the Office of Purchasing, Travel, and Fleet Management (OPTFM) for certain purchases. In certain situations, as outlined below, the OPTFM will be required to obtain Public Procurement Review Board (PPRB) approval prior to processing the requests. Agencies are advised that they shall not award any purchase or construction contract prior to approval by the Public Procurement Review Board (PPRB) if the purchase or construction contract is one which requires PPRB approval. When approval requests are received, the OPTFM will assign the request to a DFA Contract Analyst who will evaluate the request and provide a recommendation to the Board. The Public Procurement Review Board (PPRB) has regularly scheduled meetings on the first Wednesday of every month. Requests should be submitted to the OPTFM not later than the deadline posted on PPRB's website. Requests received after this time shall be delayed until the next regular meeting of the Board. The Public Procurement Review Board (PPRB) requires that the following items be brought before the Board for approval:

- (1) Any request for any purchase authority (to include multiple purchases or a "not to exceed" amount), award, or awards (when such awards are the result of one competitive procurement) which exceeds \$500,000 of commodities, goods, merchandise, furniture, equipment, automotive equipment of every kind, and other personal property purchased by the agencies of the state, but not commodities purchased for resale or raw materials converted into products for resale as provided by [Section 31-7-1\(e\), Mississippi Code of 1972, Annotated](#);
- (2) Regulations governing the approval of contracts let for the construction and maintenance of state buildings and other facilities;
- (3) Proposed equipment acquisition schedules for Master Lease Purchase Program ([Section 31-7-10, Mississippi Code of 1972, Annotated](#));
- (4) Cancellation of Mississippi Department of Corrections contracts on minutes ([Section 47-5-107, Mississippi Code of 1972, Annotated](#));
- (5) Policies and procedures which relate to the purchasing of commodities, goods, merchandise, furniture, equipment, automotive equipment of every kind, and other personal property purchased by the agencies of the state, but not commodities purchased for resale or raw materials converted into products for resale as provided by

[Sections 31-7-1\(e\), and 31-7-9, Mississippi Code of 1972, Annotated;](#)

- (6) Rules and regulations regarding the sale or disposal of property ([Section 29-9-9, Mississippi Code of 1972, Annotated](#));
- (7) Regulations governing any leases or rental agreements for space outside the buildings under the jurisdiction of the Department of Finance and Administration (as defined in the DFA Bureau of Building, Grounds and Real Property Management Leasing Manual);
- (8) Regulations governing contracts for engineering or architectural services related to construction and maintenance of state buildings and other state facilities; and
- (9) Requests for exemptions from utilizing reverse auctions submitted by state agencies and governing authorities.

2.103 Responsibility of the Office of Purchasing, Travel and Fleet Management

The Public Procurement Review Board (PPRB) acting through the Office of Purchasing, Travel and Fleet Management (OPTFM) shall have approval authority over the types of purchases listed in this chapter and in accordance with the procedures set forth. The OPTFM has the responsibility to serve the State objectively, economically and efficiently; to provide effective service to the state agencies; and to follow fair and ethical practices with all suppliers. However, this authority does not extend to governing authorities. Any mention of the requirements for P-1 approval applies **only** to agencies. Governing authorities are **not** required to obtain approval of the Office of Purchasing, Travel and Fleet Management except as otherwise provided in Section 3.106.22 Reverse Auctions.

2.103.01 Contracts

The Office of Purchasing, Travel and Fleet Management (OPTFM) shall have the authority to establish contracts on any commodity being purchased by the agencies. The contracts may be established by competitive bidding or by negotiation. The OPTFM also maintains agency and cooperative contracts. The OPTFM shall have the authority to require that agencies purchase from these contracts and shall have the authority to grant exemption from that requirement if it is determined to be in the best interest of the agency and would be an economically feasible transaction.

The OPTFM shall have the authority to set standards for commodities being purchased, and such standards shall be based on a practical and economically efficient application of that commodity.

It shall be at the discretion of the OPTFM as to the items of equipment and the commodities on which contracts will be established. The OPTFM shall have the authority to establish standards for the acquisition of equipment by agencies.

2.103.01.1 Competitive Bid Contracts

The competitive bid contracts are established on the basis of written specifications and sealed competitive bids with a contract or contracts being awarded to the vendor or vendors that have submitted the lowest and best bid which meets the specifications. All state agencies are required to purchase from the awarded contract vendor unless written approval is obtained from the OPTFM prior to obtaining quotes or soliciting bids regardless of the cost. There are times when an agency needs a product which is similar to items covered on state contract but has

determined that the item on contract will not meet the needs of the using agency. Agencies are allowed to purchase similar items up to \$1,000 without obtaining P-1 approval. The agency should note on the PO how the item is different from the items on state contract and should note in their files why the items on contract would not meet the specific needs of the agency. Requests for purchases of similar items in excess of \$1,000 must be submitted to the Office of Purchasing, Travel and Fleet Management on a P-1 with justification.

2.103.01.2 Negotiated Contracts

The negotiated contracts are established on the basis of proposals from many vendors. These proposals are evaluated with contracts being awarded to all vendors whose prices are "comparable." These contracts may be used by any agency. These negotiated contracts are "convenience" contracts and shall serve to establish a maximum price that can be paid for any item covered by the contract and does not preclude further downward negotiations by the buying agency and/or the Office of Purchasing, Travel and Fleet Management if volume so dictates. Agencies may purchase items covered by a negotiated contract from other than the contract vendor provided they follow the applicable procedures set forth in [Section 31-7-13\(a\), Mississippi Code of 1972, Annotated](#); (a) purchases under \$5,000 may be made without any quotes or bids; (b) if the purchase exceeds \$5,000 but is not over \$50,000 two quotes are required; or (c) purchases over \$50,000 may be made from the lowest and best bidder after properly advertising. In addition, agencies purchasing items covered by a negotiated contract from other than the contract vendor and following the procedures set forth in [Section 31-7-13\(c\), Mississippi Code of 1972, Annotated](#), purchases over \$50,000, shall submit a Request for Authority to Purchase, P-1, to the Office of Purchasing, Travel and Fleet Management for approval prior to making the purchase.

2.103.01.3 Cooperative Contracts

Statewide Cooperative Contracts are established on the basis of reviewing and selecting solicited contracts from written specifications and sealed competitive bids or by those on a multiple award scheduled by consortiums which show a demonstrative cost savings. These contracts are usually awarded to the vendor that has submitted the lowest bid that meets specifications. All state agencies are allowed to purchase from cooperative contracts approved by the Office of Purchasing, Travel, and Fleet Management. Governing authorities may purchase from other than the awarded vendor provided they purchase an identical item at or below contract price.

[Municipalities – Section 31-7-59, Mississippi Code of 1972, Annotated; State Agencies – Section 31-7-13, Mississippi Code of 1972, Annotated.](#)

2.103.01.4 Statewide Agency Contracts

The statewide agency contracts are established on the basis of competitive bids by a specific state agency. The statewide agency contract must be approved by the OPTFM prior to any purchases being made. The availability of statewide agency contracts to various agencies is dependent upon the terms of the agreement and a determination by the OPTFM that the prices should be available to other agencies. See Section 10.106, Procedures for Establishing an Agency Contract.

2.103.02 Open-Market Purchases

Commodities that are not covered by any state contract may be purchased on the open market provided the agency follows the requirements set forth in [Section 31-7-13, Mississippi Code of 1972, Annotated](#). Purchases of items that are not covered by any state contract in excess of

\$50,000 must be approved by the OPTFM prior to issuance of a purchase order. The OPTFM will supervise the procurement of all commodities by state agencies and shall, upon receipt of the Request for Authority to Purchase, P-1, ascertain that all aspects of the purchase are in compliance with state statutes. The OPTFM will also have the authority to reject requests which are determined not to be in the best interest of the State. The OPTFM shall have the authority to grant exemption from the requirement for P-1 approval if it is determined to be in the best interest of the agency and would be an economically feasible transaction. Proper procedures for submitting a Request for Authority to Purchase, P-1, are covered in Subsection 3.124.01, Request for Authority to Purchase, P-1.

2.103.03 Rental, Lease, Lease-Purchase of Equipment and Furniture

Commodities that are not covered by any state contract may be rented or leased on the open market provided the agency follows the requirements set forth in [Section 31-7-13, Mississippi Code of 1972, Annotated](#). Rental of items that are not covered by any state contract in excess of \$50,000 must be approved by the OPTFM prior to issuance of a purchase order. The Office of Purchasing, Travel and Fleet Management will supervise the rental of all commodities by state agencies and shall, upon receipt of the Request for Authority to Purchase, P-1, ascertain that all aspects of the rental are in compliance with state statutes. The OPTFM will also have the authority to reject requests which are determined not to be in the best interest of the State. The OPTFM shall have the authority to grant exemption from the requirement for P-1 approval if it is determined to be in the best interest of the agency and would be an economically feasible transaction. Proper procedures for submitting a Request for Authority to Purchase, P-1, are covered in Subsection 3.124.01, Request for Authority to Purchase, P-1. Agencies should also refer to Section 3.117, Lease Contracts, for further discussion of lease contracts.

To determine if advertising is required, the agency should multiply the rental payment by the number of payments to determine a total cost for the term of the rental. For example: A 36-month contract at \$1400/month would be $\$1400 \times 36 = \$50,400$ and would require advertising. A 3-year contract at \$800/quarter would be $\$800 \times 12 = \$9,600$ and would require at least two written quotes. No agency personnel shall enter into any lease-purchase contract except as is provided for in [Sections 31-7-10 and/or 31-7-13\(e\), Mississippi Code of 1972, Annotated](#).

It shall be unlawful for any agency to enter into any single lease-purchase transaction for any items having an acquisition cost of less than \$10,000.

The OPTFM shall have the right to disapprove any lease-purchase agreement regardless of authority if it is determined to create excessive cost and not be in the best interest of the State.

2.103.04 Commodities, Equipment, and Printing

The Office of Purchasing, Travel and Fleet Management shall supervise the procurement of all commodities, equipment, and printing by state agencies and shall, upon receipt of Request for Authority to Purchase, P-1, ascertain that all aspects of the purchase are in compliance with state statutes. The OPTFM shall have the authority to solicit additional quotes if, upon reviewing the P-1, there is reason to believe that the bids received by the requesting agency are not competitive.

2.103.05 Information Distribution

The OPTFM will make the information available through electronic methods of information distribution.

2.104 Certified Purchasing Office

As per [Section 31-7-1\(i\), Mississippi Code of 1972, Annotated](#), Certified Purchasing Office shall be defined as any purchasing office in which 50% or more of the purchasing agents hold a certification from the Universal Public Purchasing Certification Council or other nationally recognized purchasing certification, and in which, in the case of a state agency purchasing office, in addition to the national certification, one hundred percent (100%) of the purchasing officials hold a certification from the State of Mississippi's Basic or Advanced Purchasing Certification Program. For the purposes of this policy, purchasing agent shall be defined using the general meaning set forth in [Section 31-7-1\(c\), Mississippi Code of 1972, Annotated](#). "Purchasing agent" means any administrator, superintendent, purchase clerk or other chief officer so designated having general or special authority to negotiate for and make private contract for or purchase for any governing authority or agency.

Commentary

If a person has the authority to issue purchase orders, issue invitations to bid, receive and accept bids, negotiate contract clauses, etc., they should be considered a purchasing agent for the purposes of this policy.

An entity may apply to become a Certified Purchasing Office by completing an application found on the OPTFM website and submitting with appropriate documentation to the Office of Purchasing, Travel and Fleet Management. The application will require the name of the agency, address, phone number and e-mail address of person submitting the application. In addition, the application will require that all purchasing agents for the entity be listed with phone numbers, email addresses and certifications mentioned above. Proof of certification must show the name of the certification holder, the entity issuing the certification, the issue date and the expiration date of the certification. A copy of the certificate will be accepted provided that the required information is included.

Upon receipt of the application, the Office of Purchasing, Travel and Fleet Management will verify that 50% or more of the purchasing agents are certified by a qualified entity (UPPCC or other nationally recognized certification) and in the case of a state agency, that 100% hold a certification from the State of Mississippi's Basic or Advanced Purchasing Program. After review and verification of the submitted documentation, the Office of Purchasing, Travel and Fleet

Management will issue a certificate to the entity which shall be valid for a twelve (12) month period. If a purchasing agent's national certification expires prior to the twelve (12) month period, and if this change would reduce the number of qualified purchasing agents below the minimum requirements, the Office of Purchasing, Travel and Fleet Management may issue a Certified Purchasing Office certificate for a period of less than twelve (12) months. Certified Purchasing Offices are eligible to purchase from Cooperative Purchasing Agreements that qualify under Section 31-7-13(m)(xxix) as follows:

(xxviii) Purchases made pursuant to qualified cooperative purchasing agreements.

Purchases made by Certified Purchasing Offices of state agencies or governing authorities under cooperative purchasing agreements previously approved by The Office of Purchasing, Travel and Fleet Management and established by or for any city, county, parish, or state government or the Federal Government, provided, however, that the notification to potential contractors included a clause which set forth the availability of the

contract to other governmental entities. Such purchases shall only be made if the use of such contract is determined to be in the best interest of the government entity.

State Agencies should note that this authority does not allow them to purchase outside the terms of the statewide competitive bid contracts unless the contract document specifically says that state agencies may use the contract or choose to purchase from a qualified cooperative purchasing agreement. The current state contracts provide the assurance that all state agencies will purchase from the contract and it would be unfair to those vendors to remove that volume without proper notification. Future contract invitations may include a clause which notifies vendors of the availability of cooperative agreements and at that time agencies would have the option.

A qualified cooperative contract is one that has been submitted to and approved by the Office of Purchasing, Travel and Fleet Management after careful consideration of the process used to establish the contract, the products covered and the available prices. Vendors will not be allowed to submit contracts to OPTFM for approval. The OPTFM will only consider contracts submitted by Certified Purchasing Offices. In practical terms this means that a vendor may approach the Certified Purchasing Office of any city, county, or state agencies. If the Certified Purchasing Office feels that the products/prices available under the cooperative agreement would be advantageous, they would then submit a request to the Office of Purchasing, Travel and Fleet Management, advising the OPTFM of the name of the contract, the vendor, copies of applicable web sites/price lists, etc. The OPTFM will review the documents and may contact the originating purchasing entity for additional information prior to making a decision concerning the acceptability of the contract. Upon approval or disapproval the OPTFM will notify the Certified Purchasing Offices and will maintain a list of all approved contracts. Once approved, all Certified Purchasing Offices may purchase off of the approved cooperative contract.

State agencies with certified purchasing offices would, in most cases, be exempt from bidding requirements when they purchase from a qualified cooperative contract. The exception would be that if a commodity is covered by a competitively bid contract, the state agencies will be required to purchase from that contract unless the contract specifically allows purchases made from cooperative contracts.

Cities and counties (governing authorities) with certified purchasing offices will be exempt from bidding requirements when purchasing from a qualified cooperative contract.

Governing Authorities with Certified Purchasing Offices may also use the following procedures: Purchases may be made from the bidder offering the best value. In determining the best value bid, freight and shipping charges shall be included. Life-cycle costing, total cost bids, warranties, guaranteed buy-back provisions, documented previous experience, training costs and other relevant provisions including but not limited to, a bidder having a local office and inventory located within the jurisdiction at the governing authority, may be included in the best value calculation.

Renewal – it will be the responsibility of the Certified Purchasing Office to be aware of the expiration date of their certification and to submit a new application not more than four (4) months and not less than one (1) month prior to the expiration date. The Office of Purchasing, Travel and Fleet Management will not be responsible for notifying the Certified Purchasing Office.

2.105 Training and Certification

In accordance with [Section 31-7-9 \(3\), Mississippi Code of 1972, Annotated](#) and to ensure state purchasing and contract management personnel are trained and knowledgeable in accordance

with state law, the Office of Purchasing, Travel and Fleet Management offers the Mississippi Purchasing Certification Program. This program shall be required for all purchasing officials at state agencies. The goal of the Mississippi Purchasing Certification Program is to offer public purchasing courses and certification testing specifically designed for Mississippi procurement.

“Certified Mississippi Purchasing Agent” means a state agency purchasing official who holds a certification from the Mississippi Basic Purchasing Certification Program as established by the Office of Purchasing, Travel and Fleet Management.

2.105.01 Eligibility Requirements and Maintaining Certification

The minimum procurement experience and training requirements are as follows:

- (1) Certified Mississippi Purchasing Agent (CMPA) requirements:
 - (a) New employees should register for first available class;
 - (b) Successfully complete Mississippi Basic Purchasing Certification Program coursework; and
 - (c) Pass the CMPA exam with a score of 70% or higher.
 - (d) Recertify every five (5) years by following the same process as listed above.

2.105.02 Further Information

Information on registration, training opportunities, continuing education and resources are available on the Office of Purchasing, Travel and Fleet Management website.