

## I. Sources for University Purchasing Policy

The sources for the policy and procedures could be from many governing bodies depending on the specific purchase transaction. These sources can generally be grouped into three categories: 1. [Board of Regents for the University System of Georgia](#); 2. [State of Georgia](#); and 3. sources external to the State. Each of these sources has many components.

### A. The Board of Regents

Components of the Board of Regents are usually found in the [Board of Regents policy manual](#), the Board of Regents Business Procedures Manual, and administrative policy issued by various offices of the Board of Regents. Other documents and directives, whether written or verbal, also help determine the exact process a transaction must follow.

Sections of the Board of Regents Policy Manual which are applicable to formation of the university purchasing policies and procedures are brief so are listed as follow:

All purchasing by institutions of the University System of Georgia will be centralized under the direct management and control of the chief business officer of the institution concerned. ([BOR 707.01](#))

The University System shall utilize the sources of the Georgia Department of Administrative Services rather than establish a separate control purchasing office. In doing so, the Board directs that each of its institutions comply with the various statutes, rules and regulations governing purchases with state appropriated funds. In addition, the same regulations shall apply to purchases from funds to which the University System has title. ([BOR 707.01](#))

Title to all real, personal, and mixed property of whatever nature of each of the institutions named in the Bylaws of the Board is vested in the Board of Regents, to be held by said Board in trust for the benefit and use of the institutions entitled thereto, it being the purpose and intent of the General Assembly that the Board of Regents shall hold title to the property or assets of each institution... ([BOR 901](#))

Funds held by the institutions of the University System in an agency capacity are not subject to the rules and regulations of the central purchasing agency of the State, although the services of that agency may be used for purchasing from agency funds at the election of the chief business officer. ([BOR 707.01](#))

When purchases are made by an institution of the System, as opposed to being made by the central purchasing agency of the State, professional practices for purchasing in the public environment are to be employed at all times. ([BOR 707.01](#))

Except for the contracts which are reserved to the Board or Chancellor by this policy manual, all contracts necessary for the daily operation of the institution and all contracts for goods and services not regulated by the Georgia Department of Administrative Services can be executed by the head of each institution or his or her designee. This limited delegation of contracting authority to the executive head of each institution (or his or her designee) is in addition to all other delegations contained in this policy manual. ([BOR 709.01](#))

The Board of Regents Business Procedures Manual states:

The state Department of Administrative Services governs all other procurements except as exempted by state law ...as noted in [Georgia Code sections 50-5-50 through 50-5-81](#).

These rules and regulations govern purchases from all funds except Agency funds. Agency funds are generally defined as resources held by an institution as custodian or fiscal agent for individual students, faculty, staff members, and organizations. ([BOR Business Procedure Manual Section 3](#))

## **B. State of Georgia**

The Board of Regents Policy and Business Procedures Manuals state that purchasing for the institutions will follow the Georgia Department of Administrative Services and State Purchasing Office regulations. Some institutional purchasing procedures are not from State purchasing regulations but are in place to enforce accounting requirements and decisions.

There are a multitude of State of Georgia components governing purchasing processes. The [Constitution of Georgia](#), as it relates to both the Board of Regents and use of State credit and funds, is applied through administrative decisions and policy, official opinions, court decisions, and legislation.

Some of the other State components are: directives from the Governor; memoranda from the Georgia Office of Planning and Budget; Offices of

State Audits and Accounting, State Purchasing Office; opinions of the Attorney General; other offices in the Georgia Department of Administrative Services; and the Georgia Technology Authority. While these are the primary State components, any of the many State offices could be given regulatory control of a product or service and can issue administrative regulations with an effect on university purchasing.

Documentation of State of Georgia purchasing regulations and process are scattered throughout the State agencies. The primary basis of the state authority is the Official Code of Georgia Annotated (O.C.G.A) Title 50. With this law as the foundation, and using supplemental guidance from sources such as opinions of the Attorney General and memoranda by the Office of Planning and Budgets, the State Purchasing Office controls purchasing by State agencies and institutions through the regulations of the [Georgia Procurement Manual](#).

### C. External

External sources include all other influences such as applicable Federal laws or regulations associated with grants and other sources of specific funds.

External regulations can impact the purchasing process of the university. These are generally regulations by a granting agency as specified in the application and contract to obtain the grant. Private donation and grants could also have requirements for the expenditure of the funds.

Unless receipt of any funds, other than those classified by the Board of Regents as Agency funds, has wording either exempting the funds from State regulations or specifying procedures contrary to State regulation, the funds are regulated by the State purchasing policies.

## II. Valdosta State University Policy

By Board of Regents policy the [Vice President for Finance and Administration](#) has control and responsibility for all purchasing activities at the institution. It is the institutional policy that the Vice President has designated individuals, by position title, the capacity to obligate the institution for the costs of goods and services (i.e. to purchase). These designees may delegate this authority to individuals in their line of control but cannot delegate responsibility. Procedures to implement delegation are the responsibility of the respective cabinet officer.

Each designated or delegated individual is personally responsible for meeting all Board of Regents, State, and external requirements for the specifying, bidding, and purchasing for the items and services under their responsibility. In addition, these individuals are responsible for meeting all applicable institutional purchasing and accounting requirements. Procedures to meet these responsibilities are the responsibility of the respective cabinet officer.

Designees cannot obligate the institution without proper funding authorization from an official who has budget responsibility for the funds to be obligated. The cabinet level officer over the budget to be obligated has the responsibility for fund authorization. Cabinet officers may delegate the fund approval responsibility to personnel in their division. Any procedures to implement delegation are the responsibility of the respective cabinet officer.

The Vice President for Finance and Administration has delegated the capacity to obligate the institution as follows:

Agency Funds - the individual responsible for the account.

All items and services not otherwise delegated - Purchasing Office

Athletic Funds - for resale - Director of Athletics

Auxiliary Services - items for resale in Auxiliary units - Director of Auxiliary Services

Expenses related to employee travel (transportation, lodging, etc.) - each cabinet level officer and the Travel Office

Facilities items and Construction services regulated by the Vice Chancellor for Real Estate and Facilities of the University System - Director of Physical Plant

Information Technology items - Director of Information Technology

Library collections and related services exempt from State purchasing regulation as defined in the Georgia Procurement Manual- Director of the Library

Professional Services exempt from State purchasing regulations as defined in the Georgia Procurement Manual - Each cabinet level officer

Telecommunications lines and services - Director of Auxiliary Services

Individuals designated with purchasing authority report by line authority in the institutional organizational chart but the authority to purchase remains in the direct management and control of the Vice President for Finance and Administration.