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Ohio Administrative Code

Rule 3342-7-12.1 Administrative policy regarding purchasing of goods and/or services.

Effective: October 25, 2026

(A) Purpose. Kent state university has established this policy as a means to facilitate its purchasing of goods and/or services. This policy does not apply to purchases for or associated with capital construction projects as described in rule 3342-7-04 of the Administrative Code.

(B) Definitions.

(1) "Agreement to purchase goods and/or services" means a binding agreement (inclusive of purchase orders and contracts) to acquire goods and/or services from a specific vendor under specified terms and at a set price.

(2) "Cost" means all payments from the university to a vendor pursuant to an agreement to purchase goods and/or services for the term of the agreement including any charges or payments that the vendor will pass through to a third party.

(3) "Purchasing activities"means any actions resulting in the acquisition of goods and/or services in exchange for a fee or some other form of consideration.

(4) "Supplier" and "vendor" mean an organization or individual intending to provide goods and/or services to the university in exchange for consideration.

(C) Scope and eligibility.

(1) This policy applies to anyone engaging in university purchasing activities for goods and/or services, excluding capital construction projects as described in rule 3342-7-04 of the Administrative Code.

(2) All university purchasing activities shall be administered through the procurement department as authorized by the senior vice president for finance and administration. The procurement department has been assigned the following primary responsibilities related to purchasing:

(a) Coordinating the purchase of goods and/or services required by the requisitioning department, as economically as possible and consistent with desired quality using principles of value analysis;

(b) Administering required competitive bidding processes including, but not limited to, approving or denying requests for waiver of competitive bidding and obtaining completed security questionnaires, where applicable, from potential vendors;

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(c) Establishing vendor contracts for purchase of goods and/or services as well as rental or lease of equipment with review by university counsel prior to execution of contracts;

(d) Participating in inter-university council contracts, state of Ohio term contracts, other universities' contracts, or other joint/group purchasing contracts when such contracts resulted from competitive bidding that met state requirements and university policy and when it has been determined to be in the university's best interest to do so;

(e) Providing guidance and information to the university community regarding mandatory use of university contracts and monitoring adherence to this requirement;

(f) Generating purchase orders and authorizing change orders for goods and/or services;

(g) Recommending standard specifications for equipment and materials of common use throughout the university;

(h) Monitoring the use of the university purchasing card (p-card) program as per rule 3342-7-02.16 of the Administrative Code;

(i) Performing the purchasing function in compliance with applicable state and federal regulations, laws, and guidelines and university policies including maintaining current language in requests for proposal and purchase orders regarding vendor requirements.

(D) Procedure and implementation.

(1) Authority. No individual has the authority to enter into purchase contracts or to obligate the university to any agreements other than those individuals who have been properly delegated authority as per rules 3342-5-04 and 3342-5-04.1 of the Administrative Code or as otherwise provided for in the Administrative Code.

(2) Mandatory use of university contracts. All purchases of goods and/or services for which there is an existing university contract with one or more preferred vendor(s) must be made from those vendors. This rule applies regardless of the payment method used as further provided in paragraph (D)(7) of this rule.

(3) Approvals required. The required approval levels for an agreement to purchase goods and/or services are based on the cost of the agreement as defined in paragraph (B)(2) of this policy. Approval levels are specified in paragraphs (D)

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(1) to (D)(4) of rule 3342-7-12 of the Administrative Code. For agreements that require approval by the board of trustees, the procurement department will provide the requisitioning department with due dates for submitting information prior to each regularly scheduled meeting of the board of trustees. The procurement department will coordinate the purchasing activity to meet the dates established. The requisitioning department will be responsible to notify the procurement department if plans change that impact the need to seek approval of the board of trustees for a purchase agreement. This would include changes to the anticipated dollar amount of the agreement and/or changes to the timeline for approval.

(4) Approval routing for payments under the required approval thresholds as defined in paragraph (D)(3) of this policy have been established by the university's epayables application.

(5) Procurement transactions related to sponsored programs. Special procurement requirements often apply to purchasing transactions under a federal award or other sponsored program. In cases where the terms of the grant or contract are more restrictive than the university's policy, those terms shall govern. In cases where the limitations imposed are less restrictive, the university's policy shall apply.

(6) Purchases requiring purchase orders. Any purchase of goods with a cost of five thousand dollars or more or services with a cost of fifty thousand dollars or more requires a purchase order issued by the procurement department utilizing an e-procurement system. This requirement shall not be circumvented by splitting a transaction into multiple smaller transactions.

(7) Competitive bidding requirements.

(a) Conditions requiring competitive bidding. Agreements to purchase or lease goods when the value is fifty thousand dollars or more, or services when the value is fifty thousand dollars or more shall be awarded to the vendor offering the best overall value pursuant to competitive bidding procedures established by the procurement department. This requirement shall not be circumvented by the purchaser by splitting a transaction into multiple smaller transactions. The dollar limits are for any single supplier in aggregate for all purchases of similar goods and/or services for the entire university in any fiscal year where it is possible to identify such purchases in advance. If not identified until after the fact that aggregate purchases from a single supplier during a fiscal year have reached the dollar limits requiring competitive bidding, future purchases from the same supplier will not be made until competitive bidding has been conducted. This

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subsequent competitive bidding will be required only if it is likely that future purchases of similar goods and/or services from that supplier within the fiscal year will again exceed established dollar limits. Competitive quotations may also be solicited by the procurement department for purchases below the established limits whenever doing so would best serve the interests of the university.

(b) Administration of competitive bidding. Formal quotations and/or proposals for all purchases that require competitive bidding will be obtained by the procurement department through a request for proposal (RFP) or request for quotation (RFQ) based on written descriptions or specifications provided by the requisitioning department. Informal quotes below competitive bidding limits are encouraged and may be obtained by the requisitioning department.

(c) Solicitation of bids. Any purchase or lease of goods and/or services that requires competitive bidding will be advertised in a way that is most beneficial to the university while satisfying requirements of competitive bidding.

(d) The acceptable minimum number of responsive and responsible bids the university will receive to satisfy the requirements for any single competitive request for proposal (RFP) process shall be one. While more than one responsive and responsible bid for any single competitive RFP process is desired and preferred, it may not always be possible. In accordance with established procedures, that single bid will be given a fair and objective evaluation. Should that bid be determined satisfactory to the requesting department's needs, then steps will be taken to award the RFP to that vendor and begin the contracting process. Should that bid be determined unsatisfactory to the requesting department's needs, the bidder will be advised that the offer is unsatisfactory and the RFP canceled and reissued later with modified specifications in an effort to obtain at least one responsive, responsible and satisfactory bid.

(e) Vendor selection. The vendor selected as a result of a competitive bidding process shall be the vendor determined to offer the best overall value taking into consideration all factors identified in the specifications of the bid solicitation.

(f) Notification of vendor selection. The vendor selected and all other vendors responding to a bid solicitation shall be notified in a timely fashion of the selection pending approval by the board of trustees (where applicable) and execution of a contract. In cases requiring approval

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of the board of trustees, contract terms may be negotiated pending the approval, however such negotiation shall not revise or otherwise materially change or alter the specifications provided for in the bid documents and/or response. The resultant contract will be executed only after all appropriate approvals have been secured pursuant to rule 3342-7-12 of the Administrative Code.

(g) Waiver of competitive bidding. Competitive bidding requirements may be waived for the purchase or lease of goods and/or services with the approval of procurement under limited circumstances. Such waiver is limited to the following purposes:

(i) Emergency situation. Whenever the board of trustees, the president, or the respective vice president has determined that an emergency situation exists requiring such action.

(ii) Sole source supplier. Whenever it is impossible or unreasonable in the judgment of the director of procurement to obtain more than one bid for comparable goods and/or services because the goods and/or services are obtainable only from one source (evidence of which must be provided by the requesting division). Justification provided by the requesting division must specify essential features provided by the sole source supplier that other suppliers of similar goods and/or services do not have. Mere preference for a vendor, product, or service is not a sufficient basis for a sole source exception. Such requests may also require a written statement from the supplier certifying that its quoted price is equal to or less than that given to its most favored customers or other governmental entities.

(iii) Economic reasons. Whenever it is determined that the use of another supplier would result in incompatibility with existing conditions; require considerable training, time, and money to implement; the goods and/or services are an integral component of an ongoing long-term project; the goods and/or services offered are at a substantial discount below current market conditions and price structures; or the item is used (previously owned) and the price is confirmed to be less than the current price for a comparable new item.

(iv) Established contracts or agreements. Whenever existing federal, state, inter-university council, or other group purchasing organization agreements or contracts from other state of Ohio universities are used as a source for establishing prices where, in

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the discretion of the director of procurement, such bidding process utilized by the entity is consistent with the minimum protections required by university policy and state and federal law. Any such contracts must have resulted from competitive bidding that adhered to state requirements and university policy.

(h) Exceptions to competitive bidding requirements. Certain purchases do not lend themselves to the competitive bid process or the competitive bid is run by a state authority such as auditor of state for annual financial audit provider. Prior to entering into an agreement with a supplier for purchases of these types, the requisitioning department may consult with the procurement department to review terms and conditions. The procurement department will assist in the final negotiations to ensure compliance with university and regulatory requirements. In general, the following do not require competitive bidding:

(i) Temporary staffing (except where the cost of a single staffing engagement is fifty thousand dollars or more);

(ii) Legal services;

(iii) Annual year-end financial audit services;

(iv) Real estate or investments and associated fees;

(v) Regulated utilities;

(vi) Publishers (books, periodicals, and other published materials) (This exception does not include distributors of published materials.);

(vii) Entertainment providers;

(viii) Dues or fees for institutional membership in an organization or association;

(ix) Tickets for passenger air transportation;

(x) Public notifications required by law or to provide notification of job openings;

(xi) Postage purchased from the US postal service or through a vendor at official USPS rates;

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(xii) Public safety application and police dispatch services managed by the department of public safety; or

(xiii) Purchases from state agencies or other state-assisted institutions of higher education.

(8) Payment options.

(a) Payments by check, electronic funds transfer (EFT) or other approved electronic or credit-based payment method pursuant to submission of a vendor invoice in the epayables application. The submission of the invoice indicates the goods and/or services purchased have been satisfactorily received and may be issued for the following.

(i) Goods and/or services requisitioned by purchase order

(ii) Goods and/or services not requisitioned by purchase order whose payment cannot be accomplished via use of the p-card

(b) Payments via purchasing card (p-card)) may be issued for any purchase with a cost of less than five thousand dollars and not restricted by other university policy. This includes transactions initiated through a purchase order. (This does not supersede the requirements for purchase orders as specified in paragraph (D)(4) of this rule.) The dollar limit for p-card purchases shall not be circumvented by splitting a transaction into multiple smaller transactions. Specific information applicable to obtaining and proper use of the p-card is available on the accounts payable website and is governed by rule 3342-7-02.16 of the Administrative Code.

(c) Payment by electronic funds transfer (EFT) may be issued to employees for the reimbursement of business expenses when preauthorized by the employees' departments.

(i) Employees who use their own credit card or accounts to make a purchase on behalf of the university may not present the university's sales tax exemption certificate and must pay any applicable sales tax at the time of purchase. The reimbursement of sales tax is allowable for such purchases. However, employees are encouraged to process payments through the p-card or e-payables system to minimize sales tax expenses for the university.

(ii) The university reserves the right to deny the reimbursement of sales tax for a transaction that would have qualified for a sales tax

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exemption if it had been properly processed through appropriate university channels.

(iii) The reimbursement of expenses related to the purchase of goods shall not exceed one thousand dollars per item. This limit includes the combined purchase price and sales tax charge.

(9) Minimum requirements for vendors.

(a) Equal employment opportunity requirement. Kent state university requires that all suppliers, in bidding and/or filling a purchase order, agree not to discriminate against any employee or applicant for employment with respect to hiring and tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, gender, age, sexual orientation, national origin, disability, or identity as a disabled veteran or veteran of the Vietnam era to the extent required by law. The supplier must further agree that every subcontract for a given order will contain a provision requiring nondiscrimination in employment, as herein specified.

(b) Buy Ohio. Division (B) of section 125.11 of the Revised Code requires state agencies and universities to give preference in their purchasing activities to vendors whose products are produced, mined, etc. in Ohio or to suppliers that qualify as having a significant Ohio economic presence. This requirement may be waived when compliance would result in the university paying an excessive price for the product or acquiring a disproportionately inferior product.

(c) Buy America. Division (B) of section 125.11 of the Revised Code requires state agencies and universities to give preference in their purchasing activities to vendors whose products are produced, mined, etc. in the United States. This requirement may be waived when a determination has been made that the products to be purchased are not produced, mined, etc. in the United States in sufficient and reasonably available commercial quantities and of satisfactory quality.

(d) Other state and federal legal requirements. All vendors transacting any form of business with Kent state university shall comply with all state and federal laws and shall not be banned from doing business with the federal government thus identified on a federal list of debarred or excluded suppliers.

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(e) Kent state university is committed to procurement practices that comply with section 125.081 of the Revised Code. In accordance with this provision, the university aims to allocate a portion of its eligible purchases for competition among state-certified suppliers as designated by applicable law. All departments are expected to include qualified suppliers in bidding and quoting opportunities wherever feasible.

(f) Data security. Vendors who will have access to data by virtue of a university agreement to purchase goods and/or services shall comply with requirements as established by the Kent state university division of information services. These requirements include, but are not limited to, providing relevant attestations, completing data security questionnaires, and complying with Kent state university data security policies and procedures.

(g) Tax exemption. The university is exempt from paying Ohio sales tax (and other recognized states). The tax exemption certificate can be found on the procurement department website. All agreements must comply with this provision where appropriate.

(h) Ohio compliance requirements. All vendors doing business with the university shall, as a condition of agreement, confirm compliance with certain Ohio provisions which may be in effect from time to time and required by the university procurement office.

(10) Ethical issues related to purchasing. Regardless of purchasing method used, the procurement department adheres to a strong code of ethics when dealing with the university's supplier community. In order to create an atmosphere of mutual respect, it is the university's intent to establish open communications with the university's suppliers. As a result, Kent state university subscribes to the following:

(a) Personal purchases. No personal purchases are permitted to be made, either via purchase order, payment request, or university p-card regardless of intent to reimburse the university. In addition, no employee may use the university's name or present him/herself as an agent of the university when making personal purchases.

(b) Conflict of interest. Conflict of interest arising out of university employment is governed by university policy and Ohio law. State employees are prohibited from using their university positions to advance their private interests, financial or otherwise. Employees must follow the rules set forth in Chapter 102. of the Revised Code relating to private interest in a public

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contract as well as paragraphs (D)(3) and (D)(4) of rule 3342-5-04.1 and rule 3342-6-23 of the Administrative Code.

(c) It is prohibitive for any university employee to accept any gratuities, premiums, or other incentives.

(E) Violation. Any person who violates this policy by making unauthorized purchases through use of the university's name and funds may be personally liable for that purchase and may be subject to disciplinary actions up to and including termination.