



Arkansas Community Correction

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ADMINISTRATIVE DIRECTIVE: 18-08 Procurement and Receiving

TO: Arkansas Community Correction Employees

FROM: Sheila Sharp, Director

SUPERSEDES: AD 18-03

APPROVED: _____ **Signature on File**

EFFECTIVE: March 16, 2018

I. APPLICABILITY. This policy applies to Arkansas Community Correction (ACC) employees involved in procurement and receiving commodities and services.

II. POLICY. It is ACC policy to process documents for procurement and receiving commodities and services in compliance with applicable state and federal laws and Board of Corrections (Board) guidelines. Direction regarding procurement and receiving activities requiring prior Board approval is contained in this administrative directive.

III. DEFINITIONS.

A. Emergency Procurement. Acquisition of commodities or services, which if not immediately initiated, will endanger human life or health, state and/or federal property, or the functional ability of a state and/or federal agency.

B. Procurement. Purchasing, renting, leasing, contracting, or otherwise obtaining commodities or services.

C. Sole Source Procurement. Acquisition of commodities or services that by virtue of specifications, are available only from a single source.

IV. GUIDELINES.

A. Purchasing of Commodities and Services.

1. Procedures for procurement and receiving of commodities and services are governed by applicable state and federal laws and policies of agencies with authority to administer these activities.
2. Procurement actions within approved operating budgets, which are not identified as being subject to other authorizations, may be approved by the Chief Deputy Director, the Deputy Directors and the Assistant Directors.
3. Resident Services Cash Fund. Procurement from the Resident Services Cash Fund of merchandise for resale and food items may be procured by the Center Supervisor. Other procurement from the Resident Services Cash Fund requires the following approvals:
 - a. Purchases less than \$10,000 require approval of the Chief Deputy Director and the Deputy Director of Residential Services.
 - b. Purchases of \$10,000 or more also require approval of the Director and Board.
4. Emergency procurements must be approved by the Director or, in his/her absence, the Chief Deputy Director or a Deputy Director in collaboration with the Deputy Director of Administrative Services.
5. Sole source purchase of equipment requires approval of the Director. Sole source purchase of equipment exceeding \$50,000 also requires approval of the Board.
6. Procurement of capital equipment items from all fund sources requires the Director's approval; however, the Director may delegate approval authority to the Chief Deputy Director or the appropriate Deputy Director for procurement of specific capital equipment items and/or for specific dollar amounts.
7. Procurement of commodities and services required for authorized construction/ renovation projects must be approved by the Chief Deputy Director and the Deputy Director designated by the Director to oversee each project.

B. Receiving Notification. Each Area Manager, Center Supervisor, and Central Office Departmental Manager should delegate the responsibility of receiving to one person and along with a back-up person. Receiving reports must be submitted to the Procurement Office within 48 hours of receiving item(s) or services, and submitted reports should be made on actual material received, not on shipping tickets or purchase orders.

C. Disposition of Commodities. Sale or disposition of buildings and land and sales contracts exceeding \$50,000 require Director and Board approval. Demolition of any building requires the Director and Board approvals regardless of the building's value.

D. New and Renewal Leases.

1. Lease of office and storage space requires approval of the Director; however, if a new lease/purchase agreement will exceed \$50,000 or an existing lease agreement will increase by more than 5% per year, Board approval is also required.
2. Lease of office space resulting in relocation requires Director and Board approvals.
3. Lease of equipment over \$10,000 per year requires the Director's approval.
4. Lease of land or buildings to house offenders requires Director and Board approvals.

E. Procurement of Land, Buildings, Construction and/or Renovation Projects.

Procurement of land, buildings, construction and/or renovation projects require the following approvals:

1. Procurement of land, buildings, construction and/or renovation less than \$50,000 requires approval of the Director.
2. Procurement of land, buildings, construction and/or renovation projects at or exceeding \$50,000 require Director and Board approvals

F. Contracts Administered by ACC. The list below reflects the approvals required for contracts. Amendments that adjust the amount of fees, the percentages of the total amounts to be paid or the scope of services or that increase the cost per offender per day contract bid rate previously approved require the same approvals as initially required.

1. Professional and/or Consultant Services require the Director's approval. Contracts of \$50,000 or more also require Board approval.
2. Architectural and/or engineering services for new construction and renovations require Board selection and approval. The Board may choose to select and approve contractors by participating on an interview committee or based upon the Director's recommendation.
3. Medical Services require Board selection and approval. In addition to the amendments above, any changes in the method of calculation of compensation and other adjustments to fees to be paid require Board approval.
4. Outside legal services for agency representation require Board approval.
5. Residential facility operation services require Board approval. In addition to the amendments above, changes in the method of calculation of compensation and other adjustments to fees to be paid also require Board approval.
6. All contracts require legal review by the ACC general counsel prior to submission to the approval authority.

G. Emergency Board Approval. Should an emergency situation necessitate immediate procurement of commodities or services that require Board approval, the Director will contact the Board to request a special meeting for the Board's consideration and approval.

H. Reports. The Director will provide monthly reports to the Board of new and/or renewed contracts of \$10,000 or more.

V. STANDARDS. Arkansas Code section 19-11-101; American Correctional Association (ACA) Standards for Adult Community Residential Services, fourth edition, standard 4-ACRS-7D-26.