TITLE 610. STATE REGENTS FOR HIGHER EDUCATION CHAPTER 1. ADMINISTRATIVE OPERATIONS

RULEMAKING ACTION:

Notice of proposed PERMANENT rulemaking

PROPOSED RULES:

Subchapter 11. Purchasing

610:1-11-3. Definitions [AMENDED]

610:1-11-12. Purchases <u>\$2,500</u> or less [AMENDED]

610:1-11-13. Purchases between <u>\$2,501</u>\$5,001 and \$25,000 [AMENDED]

610:1-11-14. Purchases in excess of \$25,000 [AMENDED]

610:1-11-20. Purchasing Authority for OneNet Statewide contracts [AMENDED]

610:1-11-23. Higher Education Purchasing Consortium [NEW]

SUMMARY:

The Purchasing Department of the Oklahoma State Regents for Higher Education is responsible for the acquisition of all goods, equipment and services for the operation of the agency, authorized by 70 O.S. § 3206. The State Regents are exempt from all provisions of the Oklahoma Central Purchasing Act by 74 O.S. § 85.3A. All acquisitions of the State Regents are made pursuant to the State Regents' approved Purchasing Policy and in accordance with the permanent rules as defined in the Administrative Procedures Act. The proposed rules changes set forth and clarify the necessary instructions and guidelines for vendors or other interested parties regarding agency purchasing processes. Purposes of the rules are:

To establish consistent purchasing practices and procedures for operations of the Oklahoma State Regents for Higher Education;

To achieve economies and efficiencies and make the most effective use of public funds; To encourage competition and ensure fair and equitable treatment among vendors; and

To insure the quality and integrity of the purchasing process.

The proposed changes to the State Regents' Purchasing Policy will allow for competitive bidding and economy-of-scale to be achieved in shared purchasing models for the state system as a whole. These proposed rule changes expand the consortium model beyond the existing rules for OneNet to allow for general contracting powers through the Oklahoma State Regents for Higher Education on behalf of the State System. The amendments to the Administrative Operations-Purchasing rules include edits, clarification of terminology and proposed changes to modernize the rules, including but not limited to:

Addition of a new section to authorize State System consortium purchasing opportunities to provide efficiency and savings for our public colleges and universities. 610:1-11-23 The proposed new section of the policy will provide specific authorization for the Oklahoma State Regents for Higher Education to conduct competitive solicitations on behalf of the State System with the purpose of achieving efficiencies and savings;

Changing the requirements for purchases of \$5,000 or less. 610:1-11-12The revised rule will increase the threshold to \$5,000 from \$2,500 for competitive bid requirements. This increase will adjust the minimum dollar threshold for conducting competitive bids and will account for general price increases since the adoption of the original rules in 2003 and the inflation in the purchasing power of the dollar that has increased 48.7% for the period 2003 - 2021;

Changing the requirements for purchases between \$5,001 and \$25,000. 610:1-11-13 The rule change will allow informal bids to be solicited for purchases greater than \$5,000. The rule maintains an informal bid process from three (3) vendors with a minimum of two (2) price quotations being received to allow for the consideration of "no-bid" responses; and Several clerical updates in language to provide consistency and update references as necessary. The proposed changes include minor updates to clean-up the language for consistency and to provide updated references to the Office of Management and Enterprise Services, removing references to the Department of Central Services, now a division of OMES. Also, the changes include reference to renumbered state statutes.

AUTHORITY:

Oklahoma Constitution Article XIII-A §§ 1-4; 70 O.S. § 3206; Oklahoma State Regents for Higher Education

COMMENT PERIOD:

Persons wishing to present their views in writing may do so before 5:00 p.m. on March 17, 2022, at the following address: Matt Stangl, General Counsel, 655 Research Parkway, Suite 200, Oklahoma City, OK 73104-3603; or, at P.O. Box 108850, Oklahoma City, OK 73101-8850; or, at mstangl@osrhe.edu. **PUBLIC HEARING:**

A public hearing has not been scheduled; however, pursuant to 75 O.S. § 303(B)(9), "persons may demand a hearing" by contacting Matt Stangl, General Counsel, at mstangl@osrhe.edu or 405.225.9129 no later than 5:00 p.m. on March 17, 2022.

REQUESTS FOR COMMENTS FROM BUSINESS ENTITIES:

n/a

COPIES OF PROPOSED RULES:

Copies of proposed rules are available in the office of the Oklahoma State Regents for Higher Education (655 Research Parkway, Suite 200, Oklahoma City, OK 73104), by email to mstangl@osrhe.edu, and on the agency's website at https://www.okhighered.org.

RULE IMPACT STATEMENT:

Pursuant to 75 O.S. O.S. § 303(D), a rule impact statement will be prepared and will be available on the agency's website at https://www.okhighered.org.

CONTACT PERSON:

Matt Stangl, General Counsel, 405.225.9129, or mstangl@osrhe.edu