

AP 6330 Purchasing

Reference:

Education Code Section 81656;

Public Contract Code Sections 20650 – 20654

The Superintendent/President or designee is authorized to procure materials and services necessary to carry out the programs and operations of the District. Such authorization might include the following guidelines:

- A. Purchase the proper product for the purpose required.
- B. Have the product available when needed.
- C. Purchase the proper amount of product.
- D. Pay the proper price.
- E. Purchase without favor or prejudice and transactions shall be neutral and without conflict of interest.
- F. Employees of the District shall not accept gratuities in dealing with vendors.
- G. Purchase a product of the quality necessary to adequately perform its function.
- H. Purchase in a manner that tends toward the assurance of maximum educational value within the framework of law, policy, and sound business procedure.

Purchasing Standards:

- A. All purchases shall be made according to all applicable laws, rules, and regulations.
- B. The District will purchase materials, equipment, and services from those vendors able to offer the best prices, consistent with quality, delivery, and service. In no instance will quality be sacrificed solely in the interest of low price.
- C. Local vendors shall be patronized where there is no measurable difference in service, quality, or cost.
- D. Unauthorized purchases made without processing through required channels may be deemed personal purchases by the individual and are not the responsibility of the District.

Purchases of goods and services are to be made by the Business Office in accordance with appropriate sections of the Education Code and other State codes, and shall not cause any District budget allocation to be exceeded. (Education Code sections 81645 and 81645.5 and Public Contract Code sections 20111 and 20651.)

Written Contracts and Purchase Orders: For the purchase of goods and services, the District can be bound only by a written contract, purchase order, or pay voucher, signed by the Superintendent/President or the Chief Financial Officer/Director of Business Services. (See Board Policy 6340)

Changes to Purchase Orders: Whenever a change on the original purchase order is authorized, it must be done by the Purchasing Agent (Staff Assistant/Purchasing and Accounts Payable). No other segment of the College community is authorized to increase, decrease, substitute, or cancel an order.

Authority to Contract or Order: No employee, other than the Board of Trustees, the Superintendent/President, or the Chief Financial Officer/Director of Business Services can bind the District by any contract or purchase order. A contract entered into on behalf of the District by one not authorized to make the contract shall be invalid.

All purchases, except those from the Revolving Cash Fund, shall be made by serially numbered purchase orders or pay vouchers.

All purchases and expenditures shall be reported monthly to the Board of Trustees for approval and/or ratification and shall be recorded in the official minutes. Purchases which meet one or more of the following criteria may be submitted for ratification:

- A. Supplies, equipment, or services which are necessary for the ongoing operation of the District and for which an allocation has been included in the budget.
- B. Equipment items which have the prior approval of the Board of Trustees.
- C. Expenditures from the Revolving Cash Fund.

All purchases will be made at the lowest possible price consistent with specifications. Whenever possible, requests for quotations/bids shall be solicited from local vendors.

Procurement actions shall be by competitive negotiations and bidding in compliance with statutes with award to the lowest responsible bidder meeting the specifications. The "lowest responsible bidder" is the lowest bidder whose offer responds in quality, fitness, and capacity to fulfill and perform the particular requirements set forth by the District.

- A. Specifications shall be descriptive of materials desired and sufficiently broad to conform to law and to promote competitive bidding.

- B. **Qualified Bidders:** An effort shall be made to attract and develop a maximum of responsible bidders capable of offering the best prices consistent with quality, delivery, and service.

The Purchasing Agent or Chief Financial Officer/Director of Business Services shall receive sealed bids (in accordance with Public Contract Code 20651), then open and read them in public at the time and place specified in the bid. They must check the bids for regularity and compliance with local requirements, and then tabulate them. (Education Code Sections 81640 and 81641.)

The District reserves the right to make its selection of materials purchased based on its best judgment as to which articles substantially comply with the strength and quality required by the specifications. (Education Code Sections 81640, 81641, 81644, 81648, 81649, and 81648.5.)

The Business Office will make all purchases in accordance with the following regulations:

- A. **Items Costing up to \$10,000:**

Purchases in this classification may be made on the basis of telephone or written quotations not less than three in number provided. On any purchase of less than \$4,000, the Business Office's recent experience or one telephone quotation will be sufficient. Vendors regularly used for purchases without the necessity of at least three quotations will be evaluated annually by securing current quotes.

- B. **Items costing over \$10,000 and under ~~\$88,300~~ current 2017 calendar year contract bid threshold adjusted for inflation):**

Purchases in this classification will be made on the basis of not less than three written quotations.

- C. **Items costing ~~\$88,300~~ (current 2017 calendar year contract bid threshold adjusted for inflation) or over, or work to be done Involving more than \$15,000:**

Purchases in this classification will be made after formal advertising and the receipt of sealed bids.

The Board of Trustees will accept the bid of the lowest responsible bidder and will reserve the right to reject any or all items of any or all bids.

Public Contract Code 20651 provides for an annual inflationary increase for competitively bid contracts, which is determined by the Chancellor of the California Community Colleges.

The higher bid limit only applies to (1) the purchase of equipment, materials, and supplies; (2) services, except construction services; and (3) repairs, including maintenance as defined in Public Contract Code section 20656, that are not public projects as defined in Public Contract Code 22002(c).

The referenced \$15,000 threshold for construction services/public work projects has not been affected by the annual inflationary change.

- D. Purchases of "sole source" or "proprietary" items may be made without quotation or bid upon certification by the requisitioner and approval of the Superintendent/President or the Chief Financial Officer/Director of Business Services. Purchase of professional services (architects, attorneys, surveyors, auditors, etc.) may be made pursuant to law without quotation or bid.

(Public Contract Code 20651 Et. Seq.)

District employees shall not make purchases for the District or encumber or expend District funds in any way except in accordance with these policies. Goods and services specifically exempted from his provision for which expenditures may be committed by the Chief Financial Officer/Director of Business Services are:

- A. Utility payments
- B. Retirement, OASDI contributions, and other payroll deductions
- C. Worker's Compensation Insurance
- D. Payments covered by contracts and/or agreements approved by the Board of Trustees, and
- E. Payments permitted by Board policy

Emergency Purchases:

- A. In the event of an emergency situation where District property, students, or personnel face imminent peril, injury, or danger, the correction of which requires an immediate authorization for the expenditure of District funds, the Superintendent/President or Chief Financial Officer/Director of Business Services is empowered to authorize the expenditure of District funds in an amount necessary to effect a correction of an emergency situation.
- B. Any purchase made as the result of an emergency situation must be submitted to the Board of Trustees to be ratified and recorded in the official minutes at the first Board meeting subsequent to the emergency.

C. When emergency repairs or alterations are necessary to continue existing classes or to avoid danger of life or property, the Board may by a unanimous vote make a contract on behalf of the District for labor, materials, and supplies without advertising for or inviting bids. (Education Code Sections 81640, 81641, 81648, 81649, and 81649.5.)

State Contract Purchasing: Approved District purchasing representatives are hereby authorized to make purchases, in accordance with these policies and procedures, through the State of California Cooperative Purchasing Program operated by the Department of General Services as they may find advantageous. (Education Code Sections 81643 and 81656.)

Purchases Through Public Corporations or Purchasing Cooperatives Without Advertising for Bids: The Board of Trustees, without advertising for bids within the same county, may purchase from other public agencies or approved purchasing cooperatives supplies, equipment, vehicles, lease data processing equipment by authorization of contract or purchase order. (Education Code Sections 81640, 81641, 81644, 81648, 81649, and 81649.5.)

Reference: BP #6330, BP #6250

Approvals:

Cabinet: February 7, 2013