

PURCHASING PROCEDURES

The Vice President of Administration and Treasurer is responsible for all funds and fiscal matters of the College. Prior approval for all purchases and services is necessary. This is accomplished through the use of various documents and delegated authority.

Sealed Bids

Sealed bids will be required for purchases exceeding \$20,000.

In addition to the sealed bid requirement, a bid bond, cashier's check, or certified check in the amount of five percent of the bid shall be required for construction projects estimated to exceed \$50,000.

For purchases requiring sealed bids, the following regulations apply:

- Specifications shall be drawn in such a manner that legitimate suppliers shall not be eliminated from competition.
- Bids shall be opened and read in public, at the time and place specified on the request for bid.
- Bids received after the specified time for bid opening, shall be returned to the vendor unopened.
- Award of the bid shall be made to the supplier whose product serves the best interest of the College.
- The College has the right to reject any or all bids.
- Deviations from the above sealed bid regulations shall require the approval of the College President, and/or the Board of Trustees.

Purchase Requisitions

Generally, supplies, equipment, and services are requested on a Purchase Requisition form, approved by the area Vice President or President, and forwarded to the Vice President of Administration and Treasurer for purchase approval.

At least three quotations (written, telephone, or catalog) shall be required if the item cost exceeds \$1,000 or multiples of the item exceed \$5,000. Unless required by the Vice President of Administration and Treasurer, or his/her designee, this prerequisite may be waived for:

- Routine materials purchased on a day-to-day basis.
- Central Store supplies.
- Insurance programs in which the interest of the College is better served by negotiations.
- Procurement of professional services such as consultants, attorneys, and auditors. Wherever possible, letters of interest will be invited in order to give consideration to interested parties.
- Emergency situations.

All Purchase Requisitions for supplies and materials (300 series of accounts) that total less than \$600 may be sent from the requesting department directly to the Purchasing Department for approval.

Requests to purchase supplies from the College's Central Store may be made on a Central Store's Request form. If the request is for less than \$600 it may be sent from the requesting department directly to the Purchasing Department for approval.

Goods and services must be received before June 30 if they are to be charged to the current budget year. Purchase requests for the next fiscal year (July 1 - June 30) should not be made until that year's budget has been approved by the Board.

Purchase Orders

If the Purchase Requisition request is approved, it is forwarded to the Purchasing Department for creation of a Purchase Order.

A Purchase Order is needed to:

- Describe the purchase.
- Define payment terms.
- Provide the vendor with proof of purchase approval.
- Provide a mechanism in which goods and services can be received and accepted before payment is made.
- Provide documentation for recording and reporting purchases.

There are several types of purchase orders that serve special purposes. They include Blanket Purchase Orders, Confirming Purchase Orders, Prepaid Purchase Orders, Memo Purchase Orders, and Bookstore and Learning Resource Center Purchase Orders.

Blanket Purchase Orders

A Blanket Purchase Order may be created when the purchase request is for a series of similar type purchases from the same vendor.

The creation of a Blanket Purchase Order must be approved by the Vice President of Administration and Treasurer or the Director of Purchasing and Auxiliary Services. Competitive quotes and prices, if applicable, should be obtained before a Blanket Purchase Order is requested. It should be requested via a Purchase Requisition form and fall within approved budget allocations. Except for certain construction or major maintenance projects, a Blanket Purchase Order may not extend beyond the fiscal year for which it is approved.

Once a Blanket Purchase Order is issued, future purchases will be charged against it. A Purchase Requisition, Check Request, or additional price quotes will not be required.

Confirming Purchase Orders

In an emergency situation in which there is not sufficient time to go through the normal purchasing channels, an administrator may verbally request a purchase order number from the Purchasing Department and immediately contact the vendor or service provider to place an order. A Purchase Requisition should then be initiated for proper purchasing and receiving documentation. The Purchase Requisition should include the verbally obtained Purchase Number and should be marked "confirming" to indicate that the order has already been placed.

Prepaid Purchase Orders

In certain circumstances, payment may be required at the time of an order. For these prepaid purchases, the Purchase Requisition form should be marked as a "prepaid order" and attached to a Check Request form. After receiving approval from the Business Office both a check and a Purchase Order will be produced.

The use of Prepaid Purchase Orders is an exception to the College's normal purchasing procedures and will only be approved for unusual situations. Such purchase requests should therefore, be reviewed with the Director of Purchasing and Auxiliary Services before being initiated.

Memo Purchase Orders

Under special circumstances, the Vice President of Administration and Treasurer may authorize the use of Memo Purchase Orders. This may be when a service department such as the Information Services or Maintenance Department needs to purchase a variety of small supplies from local vendors on a highly frequent basis.

Memo Purchase Orders may not exceed \$600 for the total request and may only be used to purchase supplies. Initiation of a Memo Purchase Order must be approved by the department administrator responsible for the safekeeping and proper use of the Memo Purchase Order book, or his/her designee.

A completed Memo Purchase Order book must be returned to the Purchasing Department before a replacement book will be issued.

Bookstore and Learning Resources Center Purchase Orders

The Bookstore will initiate all purchase orders for resale merchandise.

The Learning Resources Center will initiate all purchase orders for library books, periodicals, and educational resource material.

Although competitive pricing is encouraged, purchasing procedures for creating Purchase Requisitions and obtaining quotes and sealed bids are not required for Bookstore and LRC purchase orders.

Review of Bookstore and LRC purchase orders will be made by the Director of Purchasing.

Direct or Credit Payment

Certain purchases do not require the creation of a Purchase Requisition or a Purchase Order.

Such purchases might be when the vendor does not require purchase approval, or when verification and acceptance of goods prior to payment is not applicable.

Examples may include:

- subscriptions
- memberships
- insurances
- advertising
- prepaid travel deposits and advances
- reimbursement expenses
- approved payment based on a conference/travel form or a mileage reimbursement form.

Payment requests for these types of purchases should be made on a Check Request form, which after receiving departmental and area (Vice President or President) approval, is forwarded to the Vice President of Administration and Treasurer for payment approval.

Purchase Requisitions and Check Requests are not required for payment of utilities or services that are based on an official contract or agreement. Payment authorization for such purchases may be from an approved invoice.

The President shall authorize the issuance of credit cards as required to charge business-related expenses. To receive authorization to charge business-related expenses, employees are required to sign the Cardholder Agreement confirming that they understand and agree to abide to the terms and conditions and procedures.

Cross-References

Policy 6.00
Procedure 6.02

Purchasing Policy
Procedural Guidelines for Capital Outlay Purchases Procedure 6.03
Receiving Procedures

2-14-66; 10-26-81; 10-96; 11-22-99; 11-02; 3-27-06; 9-26-11; 3-23-2015; 4-19-24