

**ADMINISTRATIVE PROCEDURE 6330 PURCHASING****I. Purchasing****A. Authority to Purchase**

The authority to contract for goods and/or services is vested in the Board of Trustees. Authority to purchase supplies, materials, apparatus, equipment and services is annually delegated by Board action to designated District officers. The purchase of goods and services shall be made through the Purchasing Department following authorized procedures in accordance with established policies and laws. Any purchase made by an employee without proper authorization will be considered an obligation and liability of the employee and not the Peralta Community College District.

B. The District shall not purchase goods or services from any vendor or sources in which a requisitioned or an authorized purchasing agent or member of the Board has any proprietary interest, Any proposed exception must be reviewed by the Vice Chancellor of Finance and Administration and approved by the Board. Employees and Board members are prohibited from accepting gratuities, in any form, the value of which could compromise their objectivity in selecting vendors or awarding purchase contracts

**C. General Purchasing Information**

1. Except for small purchases from petty cash, all purchases or commitments to buy are made through the use of a purchase order. Purchase orders will be issued by the Purchasing Department only upon receipt of a properly authorized purchase requisition.
2. Specifications  
Departments may submit their own specifications for supplies and/or equipment; however, the Purchasing Department has the authority to question need, quantity quality and materials requested and to make recommendations where the general health and welfare or economy is in question.
3. Selection of Vendor  
The Purchasing Department will accept recommendations from the requesting department for potential vendors, Final vendor designation will be made by the Purchasing Department. The Purchasing Department will initiate a project to establish "Pre-Qualified Vendors" by commodity.
4. Price Quotations  
Purchases of less than \$10,000 – Only one (1) quotation is required for purchases under \$10,000 however, if the purchase is over \$2,500 the quote must be in writing. Such items may be purchased from any vendor offering the required goods or services at a reasonable price. Examples of reasonable price are: items purchased based on vendor's catalog prices, or based on a comparison of vendor's price lists; or items purchased on historical price data, or based on prior bid solicitations.

The solicitor of the quotation (or the Business Office) must forward the quotation along with an approved Purchase Requisition to the District Purchasing Office for issuance of a Purchase Order.

Purchases between \$10,000 and \$83,400 (or adjusted annually by price Deflation Index) – informal competitive bidding is required. Informal competitive bidding requires that the department obtain three (3) written bids/price quotations specifically describing the goods and their prices. The bids/price quotations may be obtained either on a Quotation Request Form or on the vendor's letterhead stationery. In either case, the bid must be written in ink and signed by an authorized representative of the vendor.

The bids/price quotation must be summarized on a bid recapitulation (Recap) sheet. The solicitor of bids must sign the Recap sheet, generate a requisition, and forward the bids and the Recap sheet for approval by the Department Head/Business Office. Subsequently the Department Head/Business Office should forward the quotes, Recap sheet, and Requisition to the District Purchasing Office for the issuance of a Purchase Order.

5. Date of Delivery

Materials and services must be charged against and paid from appropriations within the fiscal year in which the material or service is actually received.

D. Purchase Requisitions

A purchase requisition is prepared by an individual or department to request the Purchasing Department to buy specific items. The requested information on the requisition provides guidance to the Purchasing Department as to the requester's preferences regarding vendor, specifications, etc.

E. Purchase Order

After a purchase requisition has been reviewed and approved, a purchase order is prepared which authorizes the vendor to deliver the supplies/equipment or provide the service requested.

F. Emergencies

In the event of an emergency, authority to purchase may be obtained from the Purchasing Department and a purchase order can be issued by telephone. Such approval must be obtained from the Purchasing Department in advance of the purchase.

## II. Bid Requirements and Procedures

A. Bid Requirements

Any purchase over \$15,000 for public works projects (construction services), or \$83,400 for equipment or supplies must go through the formal bid process. Public works projects includes but is not limited to construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any District owned or operated facility. The Board of Governors of the California Community Colleges shall annually adjust the dollar amount required for bid to reflect the percentage change in the annual average of the Implicit Price Deflator for State and Local Government Purchase of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the prior fiscal year (Public Contract Code 20651). The annual adjustments shall be rounded to the nearest one hundred dollars (\$100). The Purchasing Department may require formal bids for items regardless of the cost if it determines that such bids would be in the best interest of the District. All vendors involved in a bid process shall be notified that Board action is required before materials are delivered or a project can begin.

B. Approval

All purchases requiring bid procedures require an "award of bid" by the Board. All vendors involved in a bid process shall be notified that Board action is required before materials are delivered or a project can begin.

C. Purchase and Contract Specifications

Bid documents or requests for price quotations must contain specifications and/or drawings, if appropriate, which standardize the purchase and provide a basis for selection of a vendor. The Purchasing Department can advise on the level of specificity required based on the nature of the purchase. In general, specifications should be generic in nature and not specify a particular brand, manufacturer or vendor. It may be necessary to involve a consultant in the development and/or

review of specifications. Some specifications may require legal review. Development of specifications may require several weeks or months.

D. Energy Efficiency Specifications

Vendors must provide equipment and appliances that earn the ENERGY STAR and meet ENERGY STAR specifications for energy efficiency where ratings exist. Complete product specifications and updated lists of qualifying products may be found at [www.energystar.gov](http://www.energystar.gov).

E. Bid Documents

Bid documents are prepared by the Purchasing Director in consultation with the individual initiating the request. Bid documents contain a variety of standard provisions required by law and are supplemented by specifications and special requirements. Bid documents are made available to vendors through the Purchasing Department.

F. Advertisement for Bids

Advertisements for bids are prepared by the Purchasing Director to meet the legal bidding requirements. Ads are placed in newspapers and through other sources that are designed to reach the appropriate vendors. Ads must appear twice, once a week for two consecutive weeks. Vendors are usually allowed three to four weeks to prepare their bids.

G. Bid Opening

A time and place of bid opening is stated in the bid document and the bid advertisement. Bids are accepted in the Purchasing Department up to the exact time of the bid opening. Bids received before the opening are kept unopened until the designated time. A public bid opening is held during which all bids are opened and read aloud. Bids are a matter of public record and the results are available in the Purchasing Department after the bid opening. Bids are considered to be "responsive" if they meet the specifications as published. The services of an outside consultant may be required to evaluate responsiveness. Reference checks may be applied to any and all bids that are responsive and competitive. A summary of the prices quoted is prepared for the Board.

H. Bid Bonds/Guarantees

Bid bonds or other bid guarantees may be required of all bidders and are kept on file until the Board awards a contract. Bonds/guarantees are returned to all bidders after the award of bid.

I. Award of Bid

A summary of the bids is prepared for the Board. Results of reference checks are evaluated and a recommendation is made to the Board for award of bid. The award does not automatically go to the lowest bidder and only the board can award a bid. As a general rule the bid is awarded to the lowest bidder unless referenced information or other mitigating circumstances suggest an alternate choice. Contracts are not signed until after the bid award and no bidder should move to deliver supplies or equipment or start of project until after the Board takes action. The Board has the right to reject all bids or waive any irregularities. If that occurs, bidders will be notified in writing.

J. Separation of Projects

It is not permissible and unlawful to split or separate into smaller projects any project for the purpose of evading the competitive bidding provisions of this Administrative Policy. Any procurement with a single organization, individual or vendor within a single fiscal year will be considered a single procurement for purposes of bidding and the requirement for prior Board approval.

#### H. Amendments

1. Any changes to the bid document prior to the award of bid must be provided to all prospective bidders in writing prior to the bid opening. If the change will require substantial time for bidders to reconfigure their quotes, the bid opening may have to be extended.
2. Any change to specifications of terms and conditions of the bid after the opening will require a change notice.

### III. Professional Services

Professional services are defined as persons or entities furnishing to the District special services or advice in financial, economic, accounting, engineering, legal, or administrative matters.

### IV. "Piggyback" Purchases From Other Public Agencies

The District may purchase materials and equipment for contracts obtained from bids of other districts or public agencies.

### V. CAL CARD

1. The Chancellor or designee may issue a Cal Card to certain authorized employees for qualified business transactions associated with minor purchases or travel expenditures when traveling on District business.
2. The Cal Card is to be used exclusively for District business purposes and is not meant to replace purchase orders for authorized ongoing expenditures and major purchases. All purchases must be eligible, based on the allowable criteria as established in the administrative procedures, and charges to the Procurement Card require the appropriate documentation to adequately support the charge.
3. The Procurement Card will have the following spending limits established based on employment and need:
  - a. A dollar limitation of purchasing authority per transaction
  - b. A dollar limitation of purchasing authority for the total of all charges made during each monthly billing cycle
4. If credit limits need to be increased temporarily, the necessary increase will need to be approved by the college President, Vice Chancellor, or Chancellor. All cardholders must sign and accept the terms and conditions of the Peralta Community College District *Cal Card Program Cardholder Agreement*.
5. Each cardholder is responsible for the card issued to him/her and must comply with these administrative procedures. All cards are subject to ongoing audit for compliance and enforcement of this administrative procedure.

Approved by the Chancellor: February 19, 2013

Revised by the Chancellor: January 3, 2014