

202-01 PURCHASING–PROCEDURAL GUIDELINES

1. PURPOSE

This manual of purchasing policies and procedures is designed to assist faculty and staff through the procurement process from the point at which the user identifies a need for goods or services to final payment for those goods and services. It is recognized that every situation is unique and cannot be covered in this manual, therefore, if you have special circumstances, please contact the Purchasing Department.

The Purchasing Department is responsible for procuring all supplies, equipment, material and services necessary for the operation of Coconino County Community College District, referred throughout this manual as “the District.”

Procurement objectives must be accomplished within the framework of the Arizona Procurement Code, Uniform System of Accounting and Financial Reporting for Arizona Community College Districts and District Governing Board Policies.

Members of the Purchasing Department are expected to conduct themselves in a courteous, ethical and professional manner, to maintain good relations with faculty, staff and suppliers, to regard each transaction on its own merits, and to promote fair, ethical, and legal trade practices.

2. GOALS

1. The goal of the Purchasing Department is to support the educational programs of the District by obtaining maximum value from the expenditure of District funds through the acquisition of products and services.
2. Ideally, the Purchasing Department will promote maximum credibility, efficiency, and equity in services provided and in the relations with requisitioning units and vendors.

3. RESPONSIBILITIES

The function of the Purchasing Department is to organize and administer centralized purchasing services for all units of the District. Purchasing provides these services in accordance with sound business practices. The Department seeks to achieve the maximum value for every dollar expended. To achieve this, Purchasing has the responsibility for the following:

1. Providing prompt and effective service to both user departments and to vendors, while securing competitive bids when prudent, to obtain maximum value from the expenditures of District funds.
2. Maintaining a liaison with the vendors that service the District.
3. Coordinating the procurement of goods and services for all units of the District.
4. Developing sources of supplies to assure that the District units have an adequate

number of vendors from which to obtain supplies, equipment, and services.

5. Coordinating the Procurement Card Program, Procedure 202-03. Award contracts impartially. While price and individual desires are important, both must be weighed against other factors such as quality, quantity, service, usefulness, and timing in order to ensure the ultimate value.

4. PURCHASING PROCESS

1. Purchasing is much more than the single act of making a purchase. It involves planning, scheduling, policy interpretation, research, negotiation, selection, and processing. It necessitates follow-up to ensure proper delivery and inspection, as to quantity and quality before acceptance and payment.
2. Above all, purchasing requires the understanding of procedures to be followed during the process and the cooperation of all individuals and departments within the District.
3. The purpose of the purchasing process is to identify the goods and services required for District operation, as well as to select and procure them as economically as possible within acceptable standards of quality.
4. It is neither the role nor responsibility of the Purchasing Department to determine the purpose or intent of requisitions for procurement of goods and services. That function is delegated to the Directors, Administrators, Managers, Deans, Vice Presidents, President or other authorized budget managers. The Purchasing Department is responsible for expediting the procurement process in compliance with applicable law, through qualified sources that provide the best overall value for the District.

5. PURCHASING DEPARTMENT MISSION STATEMENT

The mission of the Purchasing Department is to meet or exceed the requirements and expectations for acquiring goods and services, in a timely, informative, and value-driven manner that supports the District's mission for promoting student success.

6. PURCHASE OF FOOD AND BEVERAGES - PUBLIC BENEFIT

Food and beverages may not be purchased with district funds unless there is a demonstrated benefit to the public. In other words, food and beverages are not necessarily considered vital in meeting the educational or operational needs of the District. Exceptions to this principle are outlined in the Statement of Public Benefit document, based on Procedure 202-02.

7. AUTHORIZATION TO COMMIT COLLEGE FUNDS

1. Authorized Persons
The President of the College has delegated the responsibility for procurement negotiations and administration of procurement procedures to the Director of Purchasing and Auxiliary Services. Only the Director of Purchasing and Auxiliary

Services and those persons designated by the Director of Purchasing and Auxiliary Services are authorized to commit the District's funds in the purchase of goods and services. Unauthorized purchases may be considered a personal obligation and individuals making unauthorized purchases may be personally responsible for those purchases.

2. Arizona Revised Statute § 35-154 states:
 - a. No person shall incur, order, or vote for the incurrence of any obligation against the State or for any expenditure not authorized by an appropriation and an allotment. Any obligation incurred in contravention of this chapter shall not be binding upon the state and shall be null and void and incapable of ratification by any executive authority to give effect thereto against the state.
 - b. Every person incurring, or ordering, or voting for the incurrence of such obligations, and his/her bondsmen, shall be jointly and severally liable therefore. Every payment made in violation of the provisions of this chapter shall be deemed illegal, and every official authorizing or approving such payment, or taking part therein, and every person receiving such payment, or any part thereof, shall be jointly and severally liable to the state for the full amount so paid or received.
3. Procurement Card Authority
Individuals who have been issued procurement cards have, in effect, been granted authority by their budget managers and the Director of Purchasing and Auxiliary Services to act as agents or representatives, on their behalf, for the procurement of goods and services. Pro-card statements shall be signed off by the appropriate budget manager, to ensure the expenses are monitored against the corresponding budget(s).

8. QUALITY STANDARDS

1. The responsibility to determine specifications for utility and quality rests with the department responsible for the performance or use of the materials.
2. The quality of a product is determined by balancing two major factors, the technical consideration suitability and the economic considerations of price and availability.
3. The responsibility to question and to require justifications for that assessment rests with the Purchasing Department.

9. VENDOR SELECTION

1. Requisitioning departments are encouraged to submit names, addresses, phone numbers, and points of contacts of known vendors or suppliers as possible sources of products and services. However, authority for the final selection of vendors is the responsibility of the Purchasing Department.
2. Vendors are selected for their capability to serve the needs of the District in the

most economical and efficient manner possible. Past performance and cooperation are important factors. Vendors must comply with the Equal Opportunity Act (Executive Order 11246, as amended) since it is the policy of the District to promote the realization of equal employment opportunity.

10. PURCHASE REQUISITIONS

1. The initial tool of the procurement process is the purchase requisition. It provides a clear and complete description of the requisitioning department's needs and transmits authority to the Purchasing Department to expend the requisitioning department's funds. To create a purchase requisition, refer to the Banner system and form name FPAREQN.
2. The purchase requisition by itself, however, is not a legal document and cannot be used to authorize a vendor to provide materials or services to any person or department with the District. Nor can it be used to process payment of an unauthorized transaction. Unauthorized purchases may be considered a personal obligation and individuals making unauthorized purchases may be personally responsible for those purchases.
3. A requisitioning department's needs are submitted through a purchase requisition. The estimated cost on completed requisitions will be checked against budget capacity. If budget capacity is available, the requisition may be approved. Funds will be encumbered until the invoice is paid or the purchase order is canceled.
4. Departments/areas can review their budgets on-line. The on-line budget will show the adjusted budget, year to expenditures, encumbrances, and available budget. It is the responsibility of each requisitioning unit to monitor their budgets.
5. Each department/area is assigned an account number(s) and has access to acceptable object codes. All requisitions must include the complete account code to be charged.
6. A purchase order is prepared from a requisition by the Purchasing Department and copies are sent to the vendor.

11. PURCHASE ORDERS

1. A purchase order (PO) is prepared from a requisition and copies are sent to the vendor and appropriate departments. A purchase order is recognized as a legally binding contract, as identified by the Uniform Commercial Code (U.C.C.). The Purchasing Department is the only office authorized to assign a purchase order number.
2. The standard purchase order is a four-part form and is distributed to the following departments or areas:
 - a. Page 1: Vendor copy (white). Following final authorized signature the vendor copy is generally faxed then mailed to the vendor.

- b. Page 2: Accounting copy (yellow). This copy is maintained in the purchasing department's file until the materials or services have been received or rendered. After the receiving Department has completed Banner transactions, this form is forwarded to accounts payable for invoicing and check paying.
- c. Page 3: Purchasing copy (pink). This copy is maintained in the purchasing department as a part of its permanent files.
- d. Page 4: Requisitioning Department copy (white). This copy is forwarded to the requisitioning department as information and for its files.

12. ID LISTS

1. The Purchasing Department will maintain a vendor lists for materials and services purchased. However, this list shall not be printed, copied, duplicated or forwarded in any way, shape or manner. Nor shall the information contained within be distributed to anyone outside the auspices of the District.
2. Prospective vendors may request to be added to these lists by submitting a letter addressed to Coconino Community College, Attn: Purchasing Dept. Such requests should include name, address, phone number, list of products or services, and any additional information pertinent for evaluation of a prospective vendor.
3. A vendor may be removed from the bid list(s). Such removal can be based only upon incompetence, inability of the vendor to serve the District as a responsible and responsive supplier, or failure to be competitive in pricing after providing three separate bids over a twelve-month period.
4. Where no bid lists are available for particular products or services, the use of established directories of manufacturers or suppliers is encouraged, where applicable.

13. JOINT PURCHASING AND INTERGOVERNMENTAL AGREEMENTS (IGAs)

The District may enter into purchasing agreements with State of Arizona, school districts, "Tri-Universities" (Northern Arizona University, Arizona State University and University of Arizona), City of Flagstaff, Coconino County, and other governmental agencies for the purpose of joint bidding utilization of existing contracts. These methods of purchasing will meet all criteria for obtaining effective price competition and are recognized pursuant to A.R.S. § 41-2632. Intergovernmental Agreements require the approval of the District Governing Board.

14. EDUCATIONAL/INSTITUTIONAL COOPERATIVES, CONSORTIUM AGREEMENTS

1. Cooperative Agreements
The Purchasing Department may utilize existing or future intergovernmental cooperative contracts for the purchase of like materials and services, providing these Cooperatives have legitimately solicited bids or proposals utilizing the appropriate provisions in accordance with the Arizona Revised Statutes. Please consult the Purchasing Department for assistance in locating potentially available cooperative agreement sources.

2. Consortium Contracts
 - a. The College is a member of the Education and Institutional (E&I) Cooperative Service, a nonprofit cooperative buying association of higher education institutions. Contracts entered into by the E&I Cooperative Service with various vendors is available to the District at predetermined prices, terms and delivery. These type consortium contracts cannot be used as substitutes for required competitive bidding unless these contracts have been publicly bid with the District named as a participant in the original solicitation for bids.
 - b. The Mohave Educational Services Consortium, located in Kingman, Arizona, is recognized by the State Auditor General's Office as an eligible procurement unit under A.R.S. Procurement Codes and State Board of Education Procurement Rules. Therefore, purchases may be made through this cooperative without additional competitive bids.

15. SERVICE AND MAINTENANCE CONTRACTS

1. Service and Maintenance Contracts less than \$10,000
The Director of Purchasing and Auxiliary Services shall sign all service and maintenance contracts on behalf of the District that total less than \$10,000 and the signed contract shall be forwarded to the provider with a purchase order.
2. Service and Maintenance Contracts from \$10,000 to under \$50,000
The Vice President for Business and Administrative Services or those designated by the Vice President, shall sign all service and maintenance contracts on behalf of the District that total from \$10,000 to under \$50,000 and the signed contract shall be forwarded to the provider with a purchase order.
3. Service and Maintenance Contracts from \$50,000 to under \$100,000
The President or those designated by the President shall sign all service and maintenance contracts on behalf of the District that total from \$50,000 or more to under \$100,000, and the signed contract shall be forwarded to the provider with a purchase order.
4. Service and Maintenance Contracts \$100,000 or more
Contracts of \$100,000 or more shall require District Governing Board approval prior to sending the signed contract to the provider with a purchase order.

Requisitions for Service and Maintenance Contracts

1. Requisitions for all maintenance contracts (office equipment, computers, copiers, etc.) should be submitted to the Purchasing Department at least thirty (30) calendar days prior to the original warranty period or previous contract expiration date. All requisitions must contain the equipment's inventory tag number, brand name, model name or number, serial number and location.
2. If an item is covered by a warranty or service contract, it is the responsibility of the user department to call the manufacturer or service company. A requisition for

repair is not necessary when the equipment has a service contract.

3. If the item is not covered by warranty or a service contract, a Purchase Requisition for the repair must be submitted which should include the make, model, inventory tag number and location of the item.
4. Once a purchase order has been generated, the user department may then make arrangements with the service company to perform repairs or maintenance. When service has been completed and the user department is presented with a repair slip or invoice, the slip must be signed, dated, ensure the PO number is identified and all documentation forwarded immediately to the receiving department.

16. PRODUCT, EQUIPMENT AND EXTENDED WARRANTIES

1. Product or Equipment Warranties
 - a. It is the responsibility of the requisitioning departments to ensure that warranty information cards that are included with products or equipment, received by those departments, are filled out completely and sent back to the manufacturer or processing center in a timely manner. **Note: Two copies of the warranty card should be kept on file: one to be maintained by the requisitioning department and the other sent to Accounts Payable to be attached to the copy of the purchase order. Please note the purchase order number somewhere on the card.**
 - b. The Purchasing Department will provide assistance to the requisitioning department with any warranty claims. The requisitioning department shall provide the Purchasing Department as much information as needed to help facilitate the warranty process, including:
 1. Requisition or purchase order number
 2. Date of product or equipment received
 3. Any applicable warranty information
 4. Identifying problems with product or equipment
2. Extended Warranties
For an additional charge, many manufacturers include the option of extended warranties on their products or equipment. It will be the determination of the requisitioning department whether to accept this option. This may be done at the original time of purchase, included as an additional line item, or done later as a separate purchase.

17. STANDARD CONTRACTS, AGREEMENTS AND LEASES

1. Standard Contracts, Agreements & Leases less than \$10,000
The Director of Purchasing and Auxiliary Services shall sign all contracts, agreements, leases, lease purchases or rental agreements on behalf of the District that total less than \$10,000 and the signed document shall be forwarded to the provider with a purchase order.
2. Standard Contracts, Agreements & Leases from \$10,000 to under \$50,000

The Vice President for Business and Administrative Services or those designated by the Vice President, shall sign all contracts (excluding purchase orders), agreements, leases, lease purchases or rental agreements on behalf of the District that total from \$10,000 to under \$50,000 and the signed document shall be forwarded to the provider with a purchase order.

3. Standard Contracts, Agreements & Leases from \$50,000 to under \$100,000
The President or those designated by the President, shall sign all contracts (excluding purchase orders), agreements, leases, lease purchases or rental agreements on behalf of the District that total from \$50,000 or more to under \$100,000 and the signed document shall be forwarded to the provider with a purchase order.
4. Standard Contracts, Agreements & Leases \$100,000 or more
These agreements of \$100,000 or more shall require approval by the District Governing Board, and signature by the President prior to sending the signed document to the provider with a purchase order.

18. VENDOR PERFORMANCE, SUSPENSION OR DEBARMENT

1. Vendor Performance Report
Vendors are selected for their capability to serve the needs of the College in the most economical and efficient manner possible. When vendors do not perform in a satisfactory manner or in the best interest of the District, it is the responsibility of the user departments to notify the Purchasing Department, in writing, using the Vendor Performance Report. The Purchasing Department will then take appropriate action to rectify the problem and document the performance history accordingly. A copy of the vendor Performance Report is included on the following page.
2. Suspension or Debarment
Pursuant to A.R.S. § 41-2613, the Director of Purchasing and Auxiliary Services shall promulgate rules and regulations providing for the suspension and debarment of any company, company representative, or person from consideration for award of contracts pursuant to this chapter. If there are reasonable grounds for suspension or debarment the rules and regulations of the Director of Purchasing and Auxiliary Services may provide for the suspension of any company, company representative, or person not to exceed six months. A debarment shall not exceed three years. The causes for debarment, or suspension are outlined in, but not limited to, A.R.S. § 41-2613 Section B, 1-5.
3. Notification of Suspension or Debarment
 - a. Pursuant to A.R.S. § 41-2613, Sections C and D, a written determination to debar or suspend shall be issued pursuant to the rules and regulations by the Director of Purchasing and Auxiliary Services, which shall:
 1. State the reasons for the action taken.
 2. Inform any debarred or suspended entity involved of the right to

administrative review as provided in this article.

- b. A copy of the decision of the above shall be mailed or otherwise furnished to any debarred or suspended entity and to any intervening party.

19. CAPITALIZATION CRITERIA

1. Capital Equipment Defined
Capital equipment is defined as any item that has a purchased price or market value of \$5,000 or more and has a life-cycle expectancy of two years or more. This total dollar amount includes all additional fees associated with the purchase such as taxes, shipping/handling, and setup charges.
2. Processing Capital Equipment Purchase Orders
 - a. When the Purchasing Department receives a requisition that meets these criteria, the Purchasing Department will ensure, as a final auditing source, that the accounting distribution is valid.
 - b. When a discrepancy is found, it is incumbent upon the Purchasing Department to inform the requisitioning department and Controller. The process for correcting this discrepancy can be handled one of two ways.
 1. Upon receiving written authorization by the requisitioning department or the Controller, as well as written approval from the President, the Purchasing Department may manually correct the accounting distribution in the Banner purchase order form, FPAPURR.
 2. The Purchasing Department can cancel the requisition, requiring the end user to reenter a new requisition form with the corrected accounting distribution.

20. SALES TAXES

1. In-State and City Sales Taxes
 - a. The District is responsible for the payment of all applicable sales or use taxes, as required within the State of Arizona. Therefore, taxes must be added to the purchase order. Coconino County Community College District is not exempt from sales tax under Arizona law.
 - b. Any additional information regarding sales taxes, please contact the Accounts Payable Department.
2. Sales Use Tax (Out-of-State Purchases)
The District is responsible for payment to the State Department of Revenue for any purchases from vendors or suppliers outside of Arizona. This tax is called a State Use Tax and is currently at a rate of five point six percent (5.6%) of the total purchase order. In addition, the City of Flagstaff has implemented a use tax at the rate of one percent (1%). There is currently no Coconino County use tax. Therefore, the combined use tax rate is six point six percent (6.6%). This expenditure is identified and processed at the time of payment and facilitated by the Accounts Payable Department. This tax does not apply if the vendor or supplier includes a sales tax at the time of invoice (these vendors will have an Arizona Tax Certificate). In any case, the requisitioning department should be aware of this tax and budget accordingly.

21. HAZARDOUS MATERIALS

1. In accordance with provisions mandated by the City Fire Marshall, it is imperative that any hazardous material procured, used, stored, or disposed of by the District be clearly identified, and that a Safety Data Sheet (SDS) for each item be readily available in the event of an emergency.
2. When a user department requisitions any hazardous material, the requisition text should clearly identify to the Purchasing Department that the material is hazardous in nature and that an SDS should be requested from the vendor.
 - a. All chemicals delivered to Coconino Community College **MUST** be accompanied by an SDS. Chemicals delivered without an SDS are subject to refusal.
 - b. The SDS shall be kept on file by the Facilities Department for all chemicals and hazardous materials.
3. It is incumbent upon anyone making purchases of hazardous materials with a procurement card or petty cash to obtain an SDS on those items. A copy of the SDS must be forwarded to the Executive Director of Facilities to be kept on file and one copy given to the person purchasing the materials to be kept for reference with the material.

22. CONFLICT OF INTEREST

REFERENCE: Employee Handbook 430.2

23. INSURANCE

Prior to the commencement of any work or services for the District, the vendor to the Purchasing Department must submit evidence of appropriate insurance coverage.

24. COLLEGE SURPLUS

The Purchasing Department shall have full responsibility for the acquisition and disposal of all District surplus property. Requests for the acquisition or disposal of surplus property must be submitted in writing to the Purchasing Department.

1. Surplus for sale or donation
 - a. Equipment for sale shall be transferred to NAU surplus property department. The college has entered into a cooperative agreement with NAU to sell college surplus, primarily by public spot sale, and to reimburse the college 70% of the proceeds.
 - b. Donations of equipment to eligible non-profit institutions are handled on a case-by-case basis. A written request on institution letterhead, submitted to the Director of Purchasing and Auxiliary Services, is required. Approval of donations shall be made at the discretion of the Director of Purchasing and Auxiliary Services.
2. Surplus for disposal
Equipment that can no longer be used for its intended purpose and does not

contain hazardous materials, such equipment shall be disposed of properly by the auxiliary services department.

3. Surplus for universal waste
Equipment that can no longer be used for its intended purpose and contains hazardous materials no longer accepted by the landfill shall be stored in a secure location until such time as a sufficient quantity is acquired. The college contracts with a universal waste vendor to legally dispose of acquired items.

25. SALES REPRESENTATIVE, DEMONSTRATIONS AND SAMPLE MATERIALS

1. College personnel who have direct contact with sales representatives are reminded to advise the prospective vendor that meeting, presenting, or providing product or service information to a CCC employee, in no way obligates the College District to procure from that representative's company. Should a purchase decision be made, it is the responsibility of the Purchasing Department to determine, by following applicable procedures, which company will be awarded a purchase order for that product or service.
2. College employees wishing to see samples or have equipment demonstrated may contact the Purchasing Department for assistance.
3. College employees are to refrain from signing any documentation that would otherwise obligate the College District to a contract with a vendor. This action is only granted to the Purchasing Department, President and Vice President of Business and Administrative Services.
4. Vendors are to provide their own insurance coverage for any material left on the District grounds.

26. GIFTS, GRATUITIES, AND THE ANTI-KICKBACK ACT OF 1986

It is the policy of the Purchasing Department, as well as other related personnel of the District, to decline personal gifts or gratuities in connection with purchasing function. District staff may not accept personal gifts or gratuities from any current or potential supplier of goods or services to the District.

1. The Anti-Kickback Act of 1986
 - a. Federal Acquisition Regulations (FAR 52.203-7) requires that the District have in place and follow reasonable procedures designed to prevent and detect violations of the Anti-Kickback Act of 1986 in its operations and direct business relationships.
 - b. "Kickback," as defined by the FAR, means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided, directly or indirectly, to any prime Contractor, prime Contractor employee, subcontractor, or subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a subcontract relating to a prime contract.

- c. The District has the following policies and procedures in place:
 - 1. The District's Purchasing Policy and Purchasing Procedural Guidelines incorporates the National Association of Education Buyers (NAEB) Code of Ethics, Policy on Gifts and Gratuities 202.1.26, and Policy on Conflict of Interest 202.1.22.
 - 2. External audits (Arizona State Auditor General's Office).
 - 3. The District's Purchasing Department also establishes levels of authority for approving transactions, the purpose of which is to detect any discrepancies or failure to follow required policies and procedures.
- d. If an employee becomes aware of any activity of the type described in paragraph 1.b. above, they should immediately report any such activity. If the President or the person appointed by the President to receive such reports is the person alleged to have received the kickback, then the activity should be reported to the Vice President of Business and Administrative Services. These reports shall be examined and, if warranted, investigated. When the District has reasonable grounds to believe that such activity has occurred, it shall be reported as described in FAR 52.203-7.

27. DONATIONS

REFERENCE: Coconino Community College Foundation Gift Acceptance Policy

28. ADVERTISEMENTS FOR BIDS/PROPOSALS

- 1. Publication Information
 - a. Newspaper advertising for bids is mandatory for certain types of procurement and desirable for others. When advertising is required it must be published in a newspaper of general circulation within Arizona. Composition and placement of the advertisements with the publishers is the responsibility of the Purchasing Department, at the requisitioning department's cost.
 - b. Advertising content should be kept to a minimum in order to conserve funds. Advertisements should state the description of the procurement, time, date, place of bid opening, and location where plans, specifications and bid packages can be obtained. Other pertinent information may be added if necessary for clarification.
- 2. Advertising Required

The District is mandated by A.R.S. regulations to advertise solicitations for services if it is anticipated that the total cost will exceed \$50,000. Advertisement in the *Arizona Daily Sun* or other selected newspaper(s) for one (1) or more times is required. Deadline for bids/proposals must not be less than two (2) weeks after the last day of publication.
- 3. Advertising Recommended

Advertising should also be used for the procurement of supplies and equipment if:

 - a. The Purchasing Department recommends additional competition beyond

- the vendor list
- b. Wide publicity regarding the procurement is needed
- c. A concern for community relations exists
- d. The procurement is of a sensitive nature that would benefit from public advertising

29. REQUESTS FOR BIDS, PROPOSALS AND INFORMATION

1. Definitions
 - a. Request for Bids:
Known as an RFB, this process refers to the solicitation of quotations from vendors and suppliers and is based primarily, if not exclusively, to pricing on the same or like products and services.
 - b. Request for Proposals:
Known as an RFP, this process refers to the solicitation of quotations from vendors and suppliers and is based on various criteria. Pricing is a factor, but generally is not the only determining factor. Consideration is also given, but not limited to, specifications, warranties, liabilities, quality, performance abilities, experience, lead-time, delivery, and setup references. This process is usually conducted with the assistance of a selection or advisory committee with "grading or rating" of proposals based on various criteria.
 - c. Request for Information:
Known as an RFI, this process refers to the solicitation of quotations from vendors and suppliers and is intended to provide assistance to the requisitioning unit in determining pricing, specifications and market availability. This is for information purposes only and an actual RFB will follow.
2. Competitive Bids and Proposals
Whenever practical, competitive quotations from vendors or suppliers handling the same or similar products or services will be secured. The Purchasing Department may, at its discretion, choose to bid any item which in its judgment "lends itself" to competitive bidding in each of the subsequent sections.
3. Petty Cash
Purchases less than \$30 may be made with petty cash with the approval of the appropriate department head or budget manager.
4. Locally Funded Purchases of less than \$10,000
Purchases of less than \$10,000 may be made at the discretion of the Purchasing Department and do not require bidding processes.
5. Locally Funded Purchases of \$10,000 or more, but less than \$50,000
The Purchasing Department is responsible to ensure at least three written price quotations are obtained for purchases of \$10,000 or more, but less than \$50,000. The price quotations shall be submitted to the Purchasing Department at the time the requisition is submitted, for attaching to the Purchasing Department copy of

the purchase order. If three quotations cannot be obtained, documentation showing vendors contacted but not offering price quotations, or explanation of why price quotations were not obtained, should be submitted at the time of requisitioning.

6. Federally Funded Purchases of less than \$3,500 (micro-purchases, as adjusted for inflation by the Federal Acquisition Regulation at 48 CFR Subpart 2.1)
Purchases of less than \$3,500 may be made at the discretion of the Purchasing Department and do not require bidding processes. Requirements for micro-purchases, as prescribed by Title 2, CFR Part 200, shall apply.
7. Federally Funded Purchases of \$3,500 or more, but less than \$50,000 (small purchases)
The Purchasing Department is responsible to ensure at least three written price quotations are obtained for purchases of \$3,500 or more, but less than \$50,000. The price quotations shall be submitted to the Purchasing Department at the time the requisition is submitted, for attaching to the Purchasing Department copy of the purchase order. If three quotations cannot be obtained, documentation showing vendors contacted but not offering price quotations, or explanation of why price quotations were not obtained, should be submitted at the time of requisitioning. Requirements for small purchases, as prescribed by Title 2, CFR Part 200, shall apply.
8. **All Purchases of \$50,000 or more (formal purchases):**
The Purchasing Department will obtain sealed competitive bids or proposals for all purchases of goods or services having an estimated cost of \$50,000 or more and for which an appropriate cooperative purchasing agreement does not exist. The requisitioning unit will assist the Purchasing Department in developing a list of potential vendors and specifications. This process will be conducted pursuant to A.R.S. § 41-2533, and Title 2, CFR Part 200, where applicable for federally funded procurements.
9. All Purchases of \$100,000 or more:
The District Governing Board must approve contracts and purchases of \$100,000 or more in value.

30. SOLE SOURCE PROCUREMENT

1. The Purchasing Department may award a contract for a material, service, or construction item if it is determined that there is only one source for the required material, service, or construction item. Proper documentation will be filed.
2. Sole source procurement will be avoided, except when no reasonable alternative exists. The Purchasing Department will require documentation from the requisitioning unit to justify why the technical characteristic(s) inherent in an item justifies preference over another brand that has similar qualities.

3. Final responsibility in determining whether an item is a proprietary item, and may be purchased from a sole source, rests with the Director of Purchasing and Auxiliary Services.

31. EMERGENCY PROCUREMENT

1. The Purchasing Department may make, or authorize others to make, emergency purchases. Generally, emergency order procedures will not be used unless the savings realized by normal procurement practices would be offset by a corresponding or greater loss to the department as a result of the delay.
2. Failure to anticipate a need is not of itself considered a bona fide emergency.
3. To initiate an emergency requisition, the authorized person must submit an approved requisition, either in written form or through the BANNER financial system, to the Purchasing Department. The Purchasing Department will require documentation from the requisitioning unit, approved by the department head, justifying the need for any emergency purchase.

32. PREPAY

Certain goods and services may be purchased by direct payment. Examples of expenditures often made by direct payment include metered postage, membership dues, subscriptions, property leases/rentals, and utilities.

33. PROCUREMENT CARD PURCHASES

Refer to Procedure 202-03.

34. INDEPENDENT CONTRACTORS

1. When specialized skills, knowledge, resources, or experience are needed and an existing staff or District service department cannot provide that reasonably, such services may be obtained from firms or individuals outside the District on a fee-for-service or Personal/Professional Services Contract basis.
2. The contract should require the performance of a task, project or study to be completed within a given time frame. The relationship with the District is that of an independent contractor, and the District has no right to supervise or control how the work required by the contract is done. The independent contractor is solely responsible for the results specified by the contract.
3. Examples of Independent Contractor Services
 - a. Auditing, accounting, financial services
 - b. Legal services
 - c. Medical and health services
 - d. Appraisals
 - e. Research
 - f. Grant writing
 - g. Consulting services

- h. Surveys and studies
- 4. The requisitioning department may select the firm or individual to perform the services. Selection should be on the basis of the best qualified at a fair and reasonable price. Written documentation, identifying the necessity for selection of a particular Contractor, absent of competition, shall be supplied by the requisitioning department and become part of the procurement package. However, the Director of Purchasing and Auxiliary Services shall reserve the final decision in determining the need for competitive bidding and type of contract used.
- 5. The Independent Contractor's contract must be approved and signed by the Vice President of Business and Administrative Services or designee, except for those contracts of \$50,000 or more, which will require approval and signature by the President, and contracts of \$100,000 or more, which will require approval of the District Governing Board and signature by the President. It is recommended, but not mandatory, that contracts with Independent Contractors be reviewed and approved by the District's legal counsel.

35. ENTERTAINER FEES

A properly executed contract shall authorize payment for entertainer fees. In order to expedite payment to the entertainer (to meet many entertainers' requirements for payment immediately after the performance), an Independent Contractor's contract shall be approved and signed by the Vice President for Business and Administrative Services or designee at least ten (10) business days prior to the performance. This applies to all Independent Contractors with contracts less than \$50,000. Contracts of \$50,000 or more will require approval and signature by the President, and \$100,000 or more shall require approval of the District Governing Board and signature by the President.

36. BID SECURITY, PERFORMANCE AND PAYMENT BOND

- 1. Bid Security
 - a. Bid security submitted by the bidder guarantees the bidder will execute a contract with the District at the bid price upon award of the bid. If the successful bidder refuses to enter into a contract, the bid security will be forfeited to the District.
 - b. Bid security in the amount of five percent (5%) of the bid price is required with all sealed bids for construction projects when the construction cost is estimated to exceed \$50,000.
 - c. If a bidder fails to submit the required bid security with the bid, the bid shall be considered non-responsive and subject to rejection unless the Director of Purchasing and Auxiliary Services determines in writing that the bid substantially complies with the security requirements.
 - d. Bid security is not normally required for material or service contracts. The Director for Purchasing is authorized, however, to require a bid security for procurements of this nature, if such a requirement is advantageous to the District.
 - e. Acceptable bid security shall be a bond underwritten by a company licensed

to issue bonds in Arizona or a certified or cashier's check payable to Coconino County Community College District.

2. Bid Withdrawal

a. Before Bid Opening:

If a bid is withdrawn at any time before bid opening, the bid security shall be returned to the bidder.

b. After Bid Opening:

A successful bidder may not withdraw the bid after bid opening without forfeiture of bid security unless the bidder can establish by clear and convincing evidence that a non-judgmental mistake was made in the bid. If the Director of Purchasing and Auxiliary Services permits withdrawal of a bid after bid opening, no action may be taken against the bidder or bid security.

3. Performance and Payment Bond:

Performance and payment bonds submitted by the successful bidder upon award of the contract guarantee faithful performance of the contract and payment of materials and labor by the contractor to all subcontractors and material suppliers. Performance and payment bonds in the amount of 100% of the contract price shall be required for all construction contracts.

4. Performance Bonds for Material or Service Contracts

Performance bonds for material or service contracts may be required if the Director of Purchasing and Auxiliary Services determines the requirement is necessary to protect the interests of the District. The Director of Purchasing and Auxiliary Services shall determine the amount of the bond.

37. STATE CONTRACTS

1. Contracts established by the State Procurement Office, for the procurement for certain supplies and equipment, are available for the District to use. These contracts will be used when they are in the best interest of the District.

2. The purchase of items from State Contracts does not require additional competitive bidding, as a sealed bid process already has conducted a solicitation and determined successful vendors and pricing.

3. If an identical item or service to one already available under a State Contract can be obtained at a lower price from a responsive, responsible supplier who is not identified on the State Contract, the Purchasing Department may contract with the lower priced supplier, as a means of reducing the expenditure of State and District funds.

38. BLANKET ORDERS

Blanket orders are issued for a specified time period at an estimated total dollar amount to encumber funds, and/or establish a purchasing arrangement with a vendor for a period

of time (e.g., monthly, quarterly, and yearly) for orders of miscellaneous items or recurring order of small value items.

Note: Departments using blanket orders must ensure expenditures do not exceed the funds encumbered.

1. Contract Blanket Orders
Contract blanket orders are used to purchase supplies when the cost of the individual items covered by the blanket order has been established. Normal competitive purchasing methods are used to select vendors and suppliers.
2. Convenience Blanket Orders
Convenience blanket orders are used to purchase supplies of miscellaneous items, when the exact nature of the supplies cannot be determined at the time of issuing the order. They are generally used for recurring purchases of a large variety of low-value items.
3. How to Requisition a Blanket Order
 - a. A blanket order may be requisitioned on BANNER as any normal requisition. However, the line item text must be specific enough to indicate:
 1. The period of time covered by the blanket order
 2. The total estimated dollar amount of the order (“Not To Exceed”)
 3. The type of commodities or services
 - b. The number of units to request on FPAREQN (Requisition Form) is one (1). The unit price is the total estimated dollar amount (“Not to Exceed”).
 - c. Blanket orders, like standard purchase orders, must have all items received by the end of the specified period or fiscal year end (June 30). Otherwise, the order will be closed short.

39. SPECIFICATIONS

It is the responsibility of the requisitioning department to provide to the Purchasing Department sufficient specification criteria, clearly defining the product and/or service requirements. The specifications must be definitive enough to ensure satisfaction, and yet general enough to ensure competition amongst suppliers.

40. BID OR PROPOSAL ACCEPTANCE

Bids or proposals must be unconditionally accepted without alterations or corrections. Bids or proposals must be evaluated based on the criteria set forth in the RFB or RFP.

1. Bids
The District will award a contract to the lowest responsible and responsive bidder (monetary). Pricing is generally the only (or greatest) determining factor. A “responsible” bidder is one who has the capability to perform the required service(s) or deliver the desired product(s). A “responsive” bidder is one who submits a bid, which conforms in all materials aspects to the invitation for bid. All relative charges, including shipping/handling, shall be included for determination. However, sales or use tax will not be a factor in determining the lowest bidder.

Requests for Bids do not generally require the assistance of a selection or advisory committee.

2. Proposals

- a. Proposals differ from bids, in that the lowest bid (monetary) will not be the only determining factor for awarding a contract. Other evaluation criteria must be considered to ensure that the awarded contractor is deemed, as a whole, to be the most responsible, most responsive, and able to meet the specifications outlined within the Request for Proposal.
- b. The evaluation criteria are generally developed using a grading or rating matrix that defines various areas of qualifications. These may include, but are not limited to, such areas as experience, knowledge, certifications, manpower and availability of resources, lead times, warranties and service response time. All areas deemed important for determining the supplier that would be most advantageous to the District must be considered. The use of a weighted grading system (that is, more points awarded for areas deemed the most critical) is highly encouraged. Requests for Proposals are generally reviewed and contracts awarded after assistance from a selection or advisory committee.

41. ERRORS IN BIDS OR PROPOSALS

Vendors or suppliers are responsible for the accuracy of their quoted prices. In the event of a discrepancy between unit price and its extension, the unit price will govern. Proposals or bids may be amended or withdrawn by the bidder up to the bid or proposal "opening." If an error is discovered after an opening, the bid may be amended. After an order has been issued, no bid may be withdrawn or amended unless the District considers the change to be in its best interest.

42. LATE QUOTATIONS

It is the vendor or supplier's responsibility to ensure that their quotations are received in the Purchasing Department no later than the appointed time of the bid or proposal opening, as specified in the RFB or RFP. Late quotations will not be considered or opened and will be returned to the provider.

43. CONFIDENTIALITY OF QUOTATIONS

1. Request for Bids
Price quotations are given to the District in confidence and shall not be revealed to any other vendor, supplier or unauthorized person until after the bid opening. Pursuant to A.R.S. § 41-2533, this shall not be open for public inspection until after a contract is awarded.
2. Request for Proposals
No price quotations or other information contained within the submitted RFP's shall be announced until after a contract has been awarded to a vendor or supplier. In accordance with provisions provided under A.R.S. § 41-2534, during the proposal "opening" only the name of the vendor or supplier and other such relevant

information shall be publicly read and recorded. All other information contained in the proposals shall be kept confidential so as to avoid disclosure of content which would adversely affect the process of negotiation. The proposals shall be open for public inspection after contract award. Except to the extent the proposed designates and the state concurs, trade secrets or other proprietary data contained in the bid documents shall remain confidential.

44. PROTESTS AND APPEALS OF CONTRACTS AND AWARDS

1. Protester and Content of Protest

Any participating offeror may file a protest of a contract award or proposed contract award. The protest must be in writing and contain at least the following information:

- a. Name, address, and phone number of the protester
- b. Signature of the protester
- c. Solicitation number and date of closing (due date)
- d. Statement of the legal and/or factual grounds on which the protest or appeal is based, including relevant documentation
- e. Form of relief requested

2. Protest Filing Procedure

Protests, if regarding the solicitation process, are to be filed with the Director of Purchasing and Auxiliary Services, Coconino County Community College District, prior to the closing date (due date) for the solicitation. Protests concerning award must be filed within ten (10) calendar days following the issuance of a Notice of Intent to Award a Contract. Failure to submit the protest in a timely manner shall be deemed as a waiver of all rights to protest.

A written decision shall be made within ten (10) calendar days after the protest has been filed. The decision shall explain the basis for the decision. The Director of Purchasing and Auxiliary Services shall furnish a copy of the decision to the protester by a means which provides evidence of receipt. The time for a decision to be made may be extended by the Director of Purchasing and Auxiliary Services for a reasonable time, not to exceed thirty (30) calendar days after the protest has been filed, and shall notify the protester of this decision and the date by which a decision shall be issued.

3. Protest Remedies

If the Director of Purchasing and Auxiliary Services determines that the protest has merit in that the College District policies or procedures were not followed in the solicitation, proposed contract award, or contract award, he/she shall consider all of the circumstances surrounding the procurement or proposed procurement, including, but not limited to the following:

- a. Seriousness of the procurement deficiency
- b. Degree of prejudice to other interested parties or to the integrity of the procurement system
- c. Good faith of the parties
- d. Extent of performance

- e. Cost to the government
 - f. Urgency of the procurement
 - g. Impact of relief on the College District's Mission
4. An appropriate remedy may include one or more of the following as determined necessary to ensure compliance with College District policy or procedures:
- a. Decline to exercise an option to renew under the contract
 - b. Terminate the contract
 - c. Reissue the solicitation
 - d. Issue a new solicitation
 - e. Award a contract consistent with College District policy and procedures
 - f. Reject all offers without further action
5. **Appellant and Content of Appeals**
Appeals will be accepted from a participating offeror and must contain the information from the original protest letter, a copy of the decision issued by the Director of Purchasing and Auxiliary Services, and the basis for the appeal.
6. **Appeal Filing Procedure**
Appeals must be filed with the Director of Purchasing and Auxiliary Services within five (5) business days following the receipt of the decision. Appeals not filed timely will not be considered.
7. **Appeal Notifications**
The Director of Purchasing and Auxiliary Services shall immediately give written notice of the pending appeal to the successful contractor, if award has already been made, or if no award has been made, to all participating offerors, who may request and be given copies of the pending appeal which has been filed.
- The Director of Purchasing and Auxiliary Services shall notify the District Governing Board or its designee of the appeal, as hearing officer. If the appeal has been filed timely and has validity, a hearing will be scheduled to consider the appeal and determine resolution. The hearing officer shall dismiss, upon a written determination, the appeal before scheduling a hearing if the appeal does not state a valid basis for protest or if it has been filed untimely. Any hearing of the appeal shall be conducted by the District Governing Board or the hearing officer. A written decision will be made within fourteen (14) calendar days after the appeal has been filed, or the hearing officer may extend this period for a reasonable period of up to thirty (30) calendar days upon notification to the protester in writing, designating the date by which a decision will be issued.
8. **Stay of Procurement during Protest and Appeal**
If a protest was filed prior to the award of a contract, the award may be stayed by the Director of Purchasing and Auxiliary Services unless delaying the award will be detrimental to the substantial interest of the College District. Likewise, if the procurement has not been awarded and an appeal is filed, the Director of

Purchasing and Auxiliary Services may continue the stay if not detrimental to the substantial interest of the College District.

9. Appeal Remedies

If the hearing officer sustains the protest and appeal in whole or in part and determines that a solicitation, proposed contract award, or contract award does not comply with College District policies and procedures, the hearing officer shall implement an appropriate remedy following the process outlined above under Protest Remedies.

45. CONTRACT CLAIMS AND DISPUTE RESOLUTION

1. Applicability

The College District strives to resolve claims, disputes, or controversies in good faith and informally, wherever possible, and only engaging a more formal procedure when informal attempts have failed. This procedure applies universally to claims, controversies, or disputes between the College District and a contractor arising from activities or inactions on a contract between the two. It covers disagreements of any kind, such as claims or disputes asserting breach of contract, mistake, or misrepresentation, contract modification or rescission, interpretation of the contract, and responsibilities of the parties.

2. Authority

The Director of Purchasing and Auxiliary Services is authorized to settle and resolve contract claims, but shall do so collaboratively with College District stakeholders to preserve the interests of the College District.

3. Restrictions and Limitations

Settlement of a claim is subject, where appropriate, to policies and practices of the District Governing Board requiring its approval in certain cases. In cases where settlement may result in a significant change to the contractual agreement, e.g., termination of the contract, and the contract was initially approved by the District Governing Board, approval by the District Governing Board shall be required.

4. Claims

In the event of a claim asserted by either the Contractor or College District, the claim shall be compared to the contract documentation to examine whether the claim has merit. The contract documentation shall govern the process, in accordance with party responsibilities, obligations, and resolution requirements specified therein. Any documentation of events leading up to the claim shall be provided to the Director of Purchasing and Auxiliary Services, for review and consideration. The Director of Purchasing and Auxiliary Services will seek input from College District stakeholders and may consult the Contractor for additional information. Once an appropriate resolution can be recommended, the Contractor shall be notified in writing and shall be required to respond within ten (10) business days, indicating acceptance or denial of the recommendation.

5. Mediation
If no resolution for the claim can be reached between the parties, absent contract terms to the contrary, the parties shall seek resolution via a third party mediator and any expenses shared by the parties.

46. ORDER CHANGES AND CANCELLATIONS

1. If an order must be changed, contact the Purchasing Department by phone and follow-up by memo or e-mail, justifying the need to change or cancel an order. Orders involving custom work or unique specifications may require authorization from the vendor.
2. Any purchase order which has been delivered constitutes an agreement or contract between the District and supplier. Neither party may break it arbitrarily.
3. Any purchase order which has not been delivered, may, on approval of both parties, be canceled. However, cancellation of a purchase order may incur charges from the supplier.

47. SHIPMENT DELIVERY AND RECEIVING

Shipments are ordinarily delivered to the campus Shipping and Receiving Department and then forwarded to the requisitioning department in accordance with the CCC Receiving Manual. Under certain circumstances, it may be appropriate to deliver items directly to another campus or area, but arrangements must be made in advance with Shipping and Receiving Department personnel so that instructions may be provided. Proper documentation for the delivery must be provided to the Shipping and Receiving Department following the delivery.

All deliveries require proof of payment in the form of a Purchase Order number or procurement card reference. No deliveries for which payment has not previously been authorized will be accepted.

48. INCORRECT/DAMAGED SHIPMENTS

1. If a requisitioning department is in receipt of a shipment that is incorrect or damaged, and the goods were purchased using a Purchase Order, the department must immediately notify the Shipping and Receiving Department. The information required is outlined in the CCC Receiving Manual. The Shipping and Receiving Department shall then coordinate remedy through the Purchasing Department by providing the purchase order number, vendor name, product information, and problem with the shipment.
2. The Purchasing Department will provide assistance to the Shipping and Receiving Department in securing authorization for product return to the vendor or supplier, to ensure that the vendor can accept the return and properly credit the District for the returned items.
3. If a shipment was purchased using a procurement card, the requisitioning

department should contact the supplier and make arrangements to return the item(s) according to the supplier's instructions.

4. There may be a restocking charge assessed to the requisitioning department when items previously ordered in error are returned.

49. DUPLICATE SHIPMENTS

1. Duplicate shipments are handled in the same basic manner as Incorrect/Damaged shipments.
2. The Shipping and Receiving Department must be notified immediately if a duplicate shipment ordered using a Purchase Order is received, to avoid the possibility of making a duplicate payment.
3. The Shipping and Receiving Department will notify the Purchasing Department and coordinate return of the duplicate shipment back to the supplier.
4. Duplicate shipments purchased using a procurement card must be returned to the supplier in accordance with the supplier's instructions.

50. PERSONAL SHIPMENTS

The Purchasing Department cannot accept the liability and/or responsibility associated with accepting personal shipments for delivery at the District's sites. Please make other arrangements for delivery of items which are not intended for business use of the District.

51. PROCUREMENT RECORDS

All procurement records will be retained and disposed of in accordance with records retention guidelines and schedules approved by the Department of Library, Archives and Public Records and the Arizona State Procurement Department.

52. BACKGROUND

1. References: Purchasing Procedure 202-02, Procurement Card Procedure 202-03, Employee Handbook 430.2, Arizona Revised Statutes: §§ 35-154, 41-2613, 41-2632, 41-2633, Arizona Procurement Code, Coconino Community College Foundation Gift Acceptance Policy, Uniform Guidance, 2 CFR Part 200, Federal Acquisition Regulation 48 CFR Subpart 2.1
2. Revision history: 12/15/2014; 12/01/2016; 05/23/2017
3. Legal review: none
4. Sponsor: Purchasing and Auxiliary Services

Guidelines effective: 05/23/17