Purchasing Procedures Manual

Pima County Community College District

Effective July 1, 2014

Administered by the District Finance Office - Purchasing 206-4759
Pima Community College has delayed implementation of the Uniform Guidance Procurement Standards until July 1, 2017, as provided by the waiver of the procurement rules stated in Section 200.110 of the Uniform Guidance (2 CFR Part 200). In the interim, Pima Community College will follow the previous procurement standards according to OMB Circular A-110.
PURCHASING GOALS AND OBJECTIVES

1. To support the educational program by obtaining maximum value from the expenditure of College funds

2. To procure material at the lowest cost consistent with quality and service required

3. To maintain continuity of supply

4. To provide prompt, courteous and effective service to user departments and suppliers

5. To maintain standards of quality and suitability of equipment, materials, supplies and service

6. To award contracts impartially

7. To follow the Purchasing Code of Ethics advocated by the National Association of Educational Procurement
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Form titles are italicized when referenced in the Purchasing Procedures Manual. Forms are available on the Intranet site.
1. College Organization for Purchasing

1.1. Delegation of Purchasing Authority
The Board of Governors delegates the authority to enter into contracts for goods and services to the Chancellor (BP-1301). The Chancellor further delegates the authority to approve and issue Purchase Orders for goods and services to the Director of Purchasing in accordance with SPG-1302/AB. The Director of Purchasing is authorized to delegate limited Purchase Order signature authority to the following:

- Campus, Facilities and District Buyers (Fiscal Support Specialists/Analysts with Buyer duties): $0 - $5,000.
- District Senior Buyers (Fiscal Analysts assigned to the District Purchasing Department): $0 - $30,000.

(Note: Only full-time regular employees may serve as Buyers under this section)

All other Purchase Orders must be signed by the Director of Purchasing or a temporary designated Proxy.

1.2. Unauthorized Purchases
No individual has the authority to enter into purchase contracts or to obligate the College for purchase obligations unless specifically authorized pursuant to this Purchasing Procedures Manual. Any unauthorized purchases may result in the responsible individual incurring a personal obligation to the College or supplier or subject the individual responsible to disciplinary action. Firms regularly doing business with the College are aware of this policy and are advised that all purchases chargeable to the College must be authorized by an official College Purchase Order. The College may choose not to reimburse employees for the cost of any purchases made on behalf of the College when the date of purchase is prior to the date of administrative and funding approvals. The College is not obligated to pay for unauthorized purchases.

1.3. Unallowable Purchases
All purchases made with College funds must benefit the College. The purchase of any item or service that does not benefit the College is not allowed.

1.4. Conflict of Interest
College employees must comply with the Arizona Conflict of Interest Law, ARS § 38-503. The Conflict of Interest Law provides that if an employee has, or an employee’s relative has, a financial interest in any decision or transaction made or to be made by the College, the employee must: (1) disclose such financial interest on a “Conflict of Interest Disclosure Form” and (2) refrain from participating in any manner in such decision or transaction, including any contract, fee, grant, purchase, sale, service, benefit or any other matter.
The Conflict of Interest Law does not prevent an employee from doing business with the College. A College employee may supply equipment, material, supplies, or services to the College but only if the contract is awarded after public competitive bidding. The employee should contact the Finance Department for a description of the competitive bidding requirements. Note that when a College employee does business with the College, the employee has a financial interest in the transaction and the disclosure and non-participation requirements set out above apply. (See SPG-4201/CA for more details and definitions)

1.5. Gifts and Gratuities
No College officer, employee or agent shall solicit or accept gratuities, favors, or anything of monetary value for personal use or benefit from suppliers or potential suppliers. Acceptance of gifts of negligible value, such as logo-imprinted pens, mugs and candy are allowed. Any violation of this policy by Pima Community College officers, employees or agents may be cause for disciplinary action.

1.6. Uniform Fund Source Policy
Policies concerning purchasing apply to all funds of the College, regardless of source. Funds deposited with the College must be handled consistently in accordance with institutional policies.

1.7. Capital and Non-Capital Equipment
All equipment items costing $5,000 or more including tax, handling and shipping charges are to be classified as Capital Assets. Capital Assets are tracked as inventory items and as such, all adjustments to the asset’s value and disposition will be recorded according to accounting standards.

Equipment items less than $5,000 including tax, handling and shipping charges are considered non-capital equipment. Non-capital equipment is consumable. Non-capital equipment is not tracked as an inventory item or assigned a property control number except for items categorized as “controllable non-capital” equipment.

Controllable non-capital equipment is categorized by the following four groupings;
1. Equipment purchased with restricted funds as required by a funding agency or grant
2. Computer equipment including desktops, notebooks, and networked printers
3. Weapons and police radios
4. Any of the following items with a cost of $1,000 or more:
   a. Musical instruments
   b. TV sets
   c. Recorded media playback equipment
   d. Microscopes
   e. Projectors

Revised 02/17/2016
f. Cameras

Disposition of capital and controllable non-capital equipment, personal property, and supplies must be approved according to Board Policy 2602: Disposition of Equipment, Personal Property and Supplies.
2. Requisitions

2.1. The Purchase Requisition
Requisitions are generated by departments requiring the purchase of goods and/or services through the Banner Purchase Order process. Purchases meeting the criteria, including dollar amount limitations, established for the College’s Office Supply, PCard or Blanket Order release programs do not require Requisitions described in this Purchasing Procedure Manual. Departments generating Requisitions must obtain electronic approvals on the Requisition before forwarding to Purchasing. Purchasing (Campus, Facilities or District Office) then converts the Requisitions to Purchase Orders in accordance with procedures contained in this Purchasing Procedures Manual.

Approval Authority for Requisitions (Minimum requirements):

All requisitions must be generated by a requestor and approved by an Executive Director or Administrator;

Requisitions with a total value of \(\leq \$1,000\) do not require any further approvals;

Requisitions with a total value \(\$1,001 \leq \$2,500\) must also be approved by a Campus Vice President or Assistant Vice Chancellor;

Requisitions with a total value \(\$2501 \leq \$5,000\) must also be approved by a Campus President or Vice Chancellor or Executive Vice Chancellor;

Requisitions with a total value \(\$5,001 \leq \$50,000\) must also be approved by the Executive Vice Chancellor of Administration;

Requisitions with a total value \(\$50,001 \leq \$100,000\) must also be approved by the Chancellor;

Requisitions for goods or services that exceed \$100,000\) require Board of Governors approval.

Note: PCard Purchase Request and Approval Forms require the same approval authority as listed above

2.2. Purchases Requiring Pre-Payment
Normally, payment is not authorized before goods or services are received. If pre-payment is required, documentation must be attached to the Requisition fully justifying the need for pre-payment. Adequate lead time must be given in order to have sufficient time to process the payment. The requesting department must coordinate pre-payment requests with the College or Campus Business Offices.
2.3. Rush Orders Near Termination of Budget Period
Rush orders near the end of a budget fiscal year period are discouraged. It is particularly important that Requisitions, regardless of fund source, be submitted with sufficient time to conduct buying negotiations and assure delivery before the end of the fiscal year. General Operating Funds cannot be carried forward to the next fiscal year. Requisitions will be processed in a timely fashion to assure delivery of orders before the end of the fiscal year. Failure to anticipate a need in a timely manner is not of itself considered a justification for a rush order.

2.4. Specifications
The preparation of specifications is the responsibility of the requestor. However, the Purchasing Department will assist requestors in the development of a proper set of specifications for the products or services required. "Specification" means any description of the physical or functional characteristics, or of the nature of the product or service. Specifications may include a description of any requirement for inspecting, testing, or preparing any product or service for delivery. Specifications must be definite enough to assure satisfaction, and yet general enough to encourage competition. PROPRIETARY SPECIFICATIONS ARE NOT ALLOWED UNLESS PERMITTED BY AN APPROVED NONCOMPETITIVE PURCHASE REQUEST. "Proprietary Specification" is a specification that describes products manufactured and marketed by a person or company having the exclusive right to manufacture and sell such products and which excludes other products with similar quality, performance or functional characteristics from being responsive to the solicitation. A specification that uses a "Brand Name or Equivalent" shall explain that the use of a brand name is for the purpose of describing the standard of quality, performance, and characteristics desired and is not intended to limit or restrict competition. The solicitation shall state that products substantially equivalent to those brands designated shall qualify for consideration.

2.5. Automated Requisition Approval Process
Tips and Tricks for creating, reviewing and approving Banner Self Service Requisitions in the Banner Automated Requisition Approval system are available on the College Intranet under Purchasing – Other documents. These may be used by the Business Offices for training new employees to create or review and approve requisitions in the Banner Self Service system.

The Automated Requisition Approval Process electronically routes Purchase Requisitions through a hierarchy of approvers based on the instructions contained in the Banner Requisition Approval Queues. These Approval Queues are maintained by the Purchasing Department based on the Approval Authority for Requisitions defined in Section 2.1 of this Manual. Purchasing may share responsibility for maintaining the Queues with the Campus Directors of Administrative Services at each campus. Queue names and limits must follow conventions set by the District Purchasing Office.
Most Approval Queues will be defined by the FOAP element “Organization”, however the logic of how a new Requisition selects the first Queue it must go to may also be based on the hierarchy of the Routing Codes:

- Fund:
- Fund Type:
- Organization:
- Account:
- Account Type:
- Program:

Following the first Queue, additional Queues are defined as “Next Queues” within each Queue definition.
3. Purchase Orders

3.1. Purchase Orders
All Purchase Orders must be supported by a properly executed Requisition. A Requisition is not an authorized purchasing document.

3.2. Blanket Purchase Orders
The Purchasing Department and Campus Business Offices may issue blanket Purchase Orders for goods and services within their purchasing authority limits where repetitive purchase transactions of like items/services are likely to occur with the same supplier for a specified term. Blanket Purchase Orders allow the requestor to obtain goods and services of small quantity, low-dollar value as needed in support of their operation within the total dollar limits authorized by the Administrator responsible for the organization requesting the blanket order. No single item costing in excess of $1,000, including tax, shipping and handling shall be purchased on a blanket Purchase Order. No blanket Purchase Order may exceed $5,000 in one fiscal year without a competitive process.

Exception: Facilities may enter into blanket Purchase Orders with suppliers supplying materials or services to multiple campuses for up to $15,000 without a competitive process.

The single item dollar limitation does not apply to the following items; however, the $100,000 dollar limitation for Board of Governors approval does apply:
- Repairs of equipment (estimate should be obtained before repair, if reasonably possible)
- Equipment rentals
- Advertising
- Vehicle rentals
- Non-competitive Purchases

If a blanket Purchase Order is being issued as the result of a formal competitive process, then there would be no single item dollar limitations unless so stated in the Purchase Order.

3.3 Change Orders
The initiating department may request a change order by routing a PO Change Order Request through the same approval authority required by Section 2.1 of this Manual for requisition approval based on the new total value of the Purchase Order. An exception to this is granted when the change involves a decrease in the total value of the Purchase Order, or if the only change is to the FOAP and the new FOAP is within the same organization as the original Purchase Order. In those cases, signatures above the Campus President, Vice Chancellor or Provost level will not be required. All PO Change Order Requests must be approved by the appropriate funds manager. Change Orders
will be issued only when substantial modification of the Purchase Order is required or the additional amount invoiced exceeds 5% or $250, whichever is less. Change Orders are not required for price reduction.

3.4 Returns or Cancellations
Since a Purchase Order is a legal document once issued to the supplier, it can only be changed or canceled by mutual agreement with the supplier and the Purchasing Department. There may be restocking or cancellation charges if the supplier has expended money to fulfill an order and the payment of any legitimate charges associated with a change or cancellation will be the responsibility of the requesting department. Mistakes or insufficient information in specifying the product desired by the requisitioning department often create difficult problems. When a supplier has shipped items exactly as specified on a Purchase Order, they have legally complied with their part of the contract and are not necessarily obligated to accept the return for credit of any items delivered.

3.5 Purchasing Card Program
The Purchasing Card program is based on the use of business credit card accounts. The program is more fully described in the Purchasing Card (PCard) Manual which will be maintained separately from this Purchasing Procedures Manual. The Purchasing Card (PCard) Manual is located in the Purchasing section of the Pima Community College Intranet.

3.6 Just-In-Time Supply Programs
The Purchasing Department has negotiated a contract with an office products supplier to facilitate Just-In-Time orders for all office supplies. The Office Supply User Manual outlines the procedures for Just-In-Time orders and is located in the Purchasing section of the Pima Community College Intranet.

3.7 Authorized Purchases
Only purchases authorized on a College Purchase Order, PCard transaction, office supply order on the Just-In-Time supply program or a Payment Request Form are considered authorized purchases by the College.
4. Supplier Selection

4.1. Selection of Suppliers
Authority for the final selection of a supplier is the responsibility of the Purchasing Department. Departments are encouraged to submit the names and addresses of potential suppliers. Suppliers are selected by the Purchasing Department based on their ability to meet the requirements of the specifications and serve the needs of the College in the most economical and efficient manner possible in accordance with the applicable purchasing policy. Departments are encouraged to notify Purchasing of suppliers that have performed well, as well as those that have performed poorly.

4.2. Small and Disadvantaged Suppliers
The College encourages transactions with small and disadvantaged businesses, within the College’s procurement policy. All competitive suppliers will be granted equal consideration insofar as applicable policies permit. The Purchasing Department is dedicated to providing quality service to the College and to the public and must work within the legal framework of applicable procurement policies while providing goods and services to College staff, faculty, and students.

4.3. Supplier File
The College maintains a file of previously used suppliers of goods and services in the College ERP system. Inactivation of a supplier from the supplier file may be approved by the Director of Purchasing based upon incompetence or inability of the supplier to serve the College in a responsible manner. When no supplier file exists for a particular good or service, the Purchasing Department will make every effort to develop one for that specific purchase. Directories of manufacturers and suppliers including internet searches, along with the requestor’s suggested sources of supply, are also used for these purposes. The lack of a supplier or manufacturer’s inclusion in the College ERP system shall not preclude them from submitting bids or proposals or from being considered for an award unless they have been removed for cause by the Director.

4.4. Bids and Proposals
Whenever practical, the Purchasing Department shall solicit competitive bids or proposals on items which, in its judgment, are susceptible to competition.

4.4.1 Purchases $5,000 or Less
For purchases totaling ≤ $5,000, including tax, shipping and handling, it is not necessary to obtain competitive pricing if, in the Buyer's judgment, pricing of the items is fair and reasonable. (Exception: Procedure 1.4 requires competitive bidding for all purchases directly from employees and their immediate families.)
4.4.2 Purchases From $5,000 to $30,000
For purchases costing more than $5,000 but less than or equal to $30,000, bids shall be solicited in writing from a reasonable number of suppliers (no less than three (3)). An award will be made to the lowest responsible and responsive bidder whose quotation conforms to the solicitation. Responses received by Fax or E-Mail are acceptable. If three sources cannot be identified for a given product or service, quotations should be obtained from as many sources as possible so that a pricing comparison can be made. The effort made to obtain additional quotations shall be documented. If only one source can be identified, the Department may request a noncompetitive purchase as defined in Section 4.6.

4.4.3 Purchases Over $30,000
Procurements which exceed an aggregate dollar amount of $30,000 require competitive sealed bidding or a sealed Request for Proposal (RFP). Public notice may be given by publication on the College Web Page, direct notification to potential vendors and/or publication in at least one local newspaper of general circulation containing legal advertising. Publication shall be for as many times as deemed necessary by the Director of Purchasing, but the last publication shall be a minimum of fourteen days prior to the date of opening of bids or proposals unless time constraints require a shorter period. All construction procurements over $30,000 must be advertised. To ensure fairness, all communications with any potential respondents during the Bid/RFP process will be facilitated by District Purchasing, in writing, and distributed to all known potential respondents.

A Purchase Order shall be awarded to the lowest cost responsible and responsive offer which conforms in all material respects to the requirements and criteria as set forth in the RFP/Invitation to Bid. Bids shall be opened publicly and read aloud at the time and place indicated in the Invitation for Bid. Proposals will be opened at the time and place indicated in the RFP; however, only the names of the proposers will be read aloud.

At the option of the successful supplier, prices and terms offered on submitted Quotes, Bids and Proposals may be used in place of a new competitive process for additional requirements of the same items for up to twelve (12) months from the date of opening. If only one responsive Quotation, Bid or Proposal is received, a statement shall be included in the solicitation file justifying the basis for determining that the price is fair and reasonable. If equipment, material, service or construction is available from only one supplier, the non-competitive procurement method may be used provided adequate and complete documentation is made a part of the procurement record. The department requesting non-competitive procurement shall provide written evidence to support a non-competitive determination that non-competitive procurement is appropriate. If a department wishes to accept a bid other than the low bid, a letter of justification must be forwarded to the Purchasing Department, signed by the appropriate Executive Administrator. The justification must explain in complete detail
why the low bidder is determined to be either not responsible or not responsive to the solicitation. The Purchasing Department will make the final decision as to which supplier receives the award. The Director of Purchasing may reject all bids, quotations or proposals if it is determined that rejection is in the best interest of the College. If only one source can be identified, the Department may request a noncompetitive purchase as defined in Section 4.6.

4.5. Bid Awards
The Director of Purchasing will normally award a contract to the lowest responsible and responsive bidder. A "responsible bidder" is one who (1) has adequate financial resources to perform a contract, (2) is able to comply with the associated legal or regulatory requirements, (3) is able to deliver according to the contract schedule, (4) has no history of unsatisfactory performance, (5) has a good reputation regarding integrity, (6) has or can obtain necessary data, equipment, and facilities, and (7) is otherwise eligible and qualified to receive an award if its bid is chosen. A "responsive bidder" is one who submits a bid that conforms in all material aspects to the requirements outlined in the Invitation to Bid or RFP.

4.6. Noncompetitive Purchases
Any purchase above $5,000 is to be bid competitively whenever possible. Requisitioners must provide justification for all requested noncompetitive purchases by completing a Noncompetitive Purchase Request which is available on the college intranet. The justification must be fully explained and specific in order to provide an adequate basis for approving the noncompetitive purchase. Convenience, custom and historical uses alone do not constitute justifications. In addition, the detailed justification must describe the efforts made to come to the conclusion that the selected source is the best available source for materials or services, and that the price is fair. Include information on other product or service providers that were considered and why they are not acceptable. Attach any documentation that will support the justification, efforts made and any other supporting information. Contact Purchasing with any questions before completing the form. Noncompetitive purchases must be approved by the Director of Purchasing prior to a Purchase Order or contract being issued, and only if the purchase is determined to be in the best interests of the College.

Note that other college policies for expenditures are not affected by this procedure.

Under certain circumstances a Noncompetitive Request form and written determination by the Purchasing Director are not required. The following situations do not require a noncompetitive justification:

1. Purchases under the non-competitive threshold. ($5,000.00)
2. Business-related travel expenses.
3. Utilities.
4. Fees fixed by a governmental entity, intergovernmental agreement or professional organization.
5. Licenses or expenses associated with accreditation programs.
6. Real estate when location, improvements or other criteria best meet the College’s needs.
7. Copyright protected materials only available from one source.
8. Advertising for legal notices, recruitments and other spot advertising.
9. Membership dues and subscriptions.
10. Goods or services competitively sourced under state contract, cooperative purchasing agreement or buying cooperative, when the particular contract or agreement is cited in the request and verified before the order is placed. The state contract or cooperative purchasing agreement reference must be included on the Requisition and on any quotes received from the intended supplier.

The requestor may appeal an adverse decision of the Director of Purchasing to a panel consisting of the requestor/representative, the Purchasing Director and the Director of Risk Management and Contracts Administration if desired. The panel will review the request and all supporting information and document the final decision on the Noncompetitive Purchase Request form.

4.7. College Standards
The Director of Purchasing may approve standard products for use in the College after a thorough review of factors relating to quality, reliability and availability. If any approved product should fail to meet the quality standards prior to the regular review, the products will be deleted from the approved list and the using department notified.

4.8. Contracts, Agreements & Licenses
All supplier-furnished contracts for goods and services, including software licenses and other documents containing terms and conditions binding the College require approval and signature as specified in Standard Practice Guide SPG-1302/AB.

4.9. Intergovernmental Agreements
Arizona Revised Statute 11-952, as amended, provides that, if authorized by governing bodies, two or more public agencies may enter into Intergovernmental Agreements with one another for joint or cooperative actions. Intergovernmental Agreements involving purchasing activities by the College are administered by the Purchasing Department. Intergovernmental Agreements not involving purchasing activities by the College are administered by the department entering into the agreement.

4.10. Leases – Equipment
All types of leases, lease/purchases or rental agreements must be signed on behalf of the College in accordance with Standard Practice Guide SPG-1302/AB. All
lease/purchase Requisitions must have the prior approval of the Chancellor or the Executive Vice Chancellor for Administration. Prior to submitting a Requisition for a lease agreement to the Purchasing Department, the requesting department should analyze the economic considerations of leasing vs. purchasing. Leases extending beyond one (1) year must comply with Section 4.19 governing multi-year contracts. Regardless of the duration of a lease agreement, a formal College Purchase Order will be issued. The requesting department should define the type of lease agreement on the Requisition, indicating whether it is a new lease or a renewal or extension. A copy of the agreement shall accompany the Requisition and be attached to the Purchase Order. Lease or lease/purchase agreements must have a cancellation provision which allows the College to discontinue such agreements if future appropriations are reduced or eliminated.

4.11. Leases - Real Property
Transactions concerning the purchase, lease or lease/purchase of real property (land and buildings) require Board of Governors approval. Such transactions will be coordinated through the Chancellor as defined by Standard Practice Guide SPG-2301/AA.

4.12. Capital Improvement/Construction Contracts
Building Structures, additions or alterations of a College facility may be constructed by College employees for projects up to $50,000 excluding demolition. Construction contracts to be performed by outside contractors exceeding $30,000 will be awarded through the process of competitive sealed bidding solicited by an Invitation for Bids or by a Request for Qualifications/Construction Manager at Risk Process. Adequate public notice will be given for a reasonable time before the date set forth in the Invitation for Bids or Request for Proposals for the opening of bids or proposals, but not less than 14 days prior to that date. Financial security required for construction contracts includes bid security for an Invitation for Bids, which must be a bond provided by a surety company licensed to do business in Arizona or a cashier’s check, either of which must be for 10% of the bid price and must be submitted with the bid. Additionally, the entity awarded a contract must submit a payment bond and a performance bond, each equal to 100% of the contract price, and executed by a surety company licensed to do business in Arizona. The bonds shall comply with the requirements of ARS §§ 34-221, 222 and 223. Construction projects costing in excess of $100,000 require Board of Governors approval.

4.13. Competitive Sealed Proposals
The Director of Purchasing may award a contract after soliciting competitive sealed proposals if it is determined that the use of competitive sealed bids is not practical. EXCEPTION: COMPETITIVE SEALED PROPOSALS CANNOT BE USED FOR CONSTRUCTION CONTRACTS.
4.14. Selection of Professional Services
For the purpose of procuring the service of clergy, physicians, psychologists, dentists, accountants, legal counsel, architects, engineers, geologists, surveyors or other professional consulting services, the Director of Purchasing will give adequate notice of the need for such services through a Request for Proposal (RFP). The Director of Purchasing, or his designee, may conduct discussions with any respondents who submit a proposal to determine the respondent’s qualifications for further consideration. The Director of Purchasing will award a contract to the respondent determined to be the best qualified based on factors set forth in the RFP after determining the compensation is fair and reasonable. However, no contract for these services will be awarded solely on the basis of price. The Director of Purchasing shall establish a selection committee in accordance with Standard Practice Guide SPG-2302/AA to evaluate qualifications and performance data, and to conduct discussions with a minimum of three firms regarding a specific contract if determined to be necessary by the committee. Based on criteria established by the committee, the committee will select the highest qualified firm at compensation which is determined to be fair and reasonable.

4.15. Procedure for Processing Professional Services
Contract Options for Professional Services Agreements in order of preference for the College:

1. If an agreement can be reached with the vendor to provide services to the college using the Purchase Order as the sole contract document, that is the preferred option.
   i. A separate Scope of Work, Letter Agreement or vendor quote may be attached to the Purchase Order if it provides more descriptive information about the engagement without introducing any additional commercial terms or conditions upon the College by the vendor.

2. If the PCC requestor wants more protective/descriptive language or a service provider insists on using an agreement signed by both parties, the PCC Agreement Template should be used and signed by PCC in accordance with SPG-1302/AB. A Purchase Order is to be issued in addition to the Agreement to provide a method of payment for the service provided.

3. If the service provider requires a signature on the service provider’s agreement document or any modifications to the PCC Agreement Template, it is considered a Custom Agreement and must be reviewed by the PCC Contracts department before PCC signature. A Purchase Order is to be issued in addition to the Agreement to provide a method of payment for the service provided.

4.16 Fees and Expenses for Professional Services
Expenses incurred during professional service engagements should be included as a part of the overall fee whenever a written or formal competitive bid/Request for Proposal is issued or awarded. If a competitive bid/RFP is not to be used, negotiate a
comprehensive fee which covers all of the services and expenses. If any expenses cannot be included in a comprehensive fee for the service, any reimbursable expenses shall be limited to the per diem and travel rates paid by the Arizona Department of Administration (“ADA”). Expenses not covered by the ADA schedule but allowed by the PCC travel policy for its employees shall be reasonable and shall be paid at actual cost based upon detailed/itemized invoices or other written documentation of the expense. The College will not pay travel or other expenses directly to hotels, airlines, etc. They will only be paid to the professional service provider after adequate documentation is received and approved per this policy.

The Internal Revenue Service presumes that all individuals who provide a service are employees unless there is evidence to support the classification of the individual as an independent contractor. If the College engages an individual as an independent contractor, the following information must be attached to the Requisition prior to their being sent to Purchasing for processing:

1. Copy of either a Letter of Agreement or Formal Consultant Agreement;
2. Independent Contractor Certification (required if contracting with an individual);
3. Documentation as to how the service provider was selected (required if over $5,000);
4. If the service provider is a noncompetitive selection, a Noncompetitive Purchase Request is required if greater than $5,000.

Dollar thresholds for competitive process:

1. Less than or equal to $5,000 - no competitive process required;
2. More than $5,000 up to $30,000 - list of qualified individuals solicited and documented criteria used for selection, summary of qualifications of selected service provider;
3. Over $30,000 - formal competitive process is required. Contact purchasing to initiate the competitive process (must include formal consultant agreement).

Payment Processing:

1. No payment for services is allowable prior to service being rendered;
2. A formal detailed/itemized invoice must be presented by the service provider and approved by the Requisitioning party prior to being sent to the appropriate Business Office;
3. A Purchase Order must be issued for all services over $1,000 subject to approvals required by Sections 2.1; services under $1,000 can be processed with a Payment Request Form. No invoices will be paid which cause the total approved Purchase Order amount to be exceeded by more than 5% or $250, whichever is less. (See Section 3.3 Change Order)
4.17. Major Equipment Items
The selection of major equipment items shall be based on a consideration of life cycle costs, including economy in operation, productivity, compatibility, quality, dependability, energy efficiency, saving in time or labor costs, durability, warranties and service, in addition to initial cost, so that the net result will be increased efficiency at the lowest total ownership cost. Prior to submitting a Requisition for the purchase of an instrument or item of equipment, the requesting department should insure adequate power or other utility requirements are available. Space requirements, floor loading, and access by elevator and door openings should also be checked and verified, where applicable, with Facilities Planning, phone: 206-2610.

4.18. Cooperative Purchasing Agreements
The College is authorized to purchase certain materials and services through those cooperative contracts competitively bid or negotiated by the State Department of Administration Purchasing Office, other public agencies or cooperative buying groups of which the College is a member without further competitive quotations or bids.

4.19. Term of Contracts
Contracts shall generally extend for no more than one (1) calendar year. Multi-term contracts extending for no more than five (5) years may be approved if deemed to be advantageous to the College and subject to the availability and appropriation of monies in any given fiscal year.

The College, with approval of the Board, may enter into contracts exceeding five years for real estate or capital equipment leases. In no event shall the term of a contract for capital equipment purchases exceed the expected useful life of the equipment.

The proposed term of any contract and subsequent renewals or extensions should be included in the initial solicitation. Before soliciting for and entering into a multi-term contract, the College shall determine that the estimated requirements cover the period of the contract and are reasonable and continuing and that a multi-year contract will serve the best interests of the College by encouraging effective competition or otherwise promoting economies in College procurement.

If monies are not appropriated or otherwise made available to support continuation of performance of a multi-term contract in a subsequent fiscal period, the contract shall be canceled and the contractor may only be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the materials or services delivered under the contract or which are otherwise not recoverable. The cost of cancellation may be paid from any appropriations available for such purposes.
5. Departmental Responsibilities

5.1. Receipt and Inspection
A system of inspections shall be used to insure that the College is receiving serviceable goods in the quantity and quality for which it has contracted. The Receiving Department will open and inspect all items received except highly technical or sensitive items which should be delivered unopened to the ordering department. Material or services received directly by any department, which were ordered by a Purchase Order, MUST be immediately reported to receiving to complete the payment process. This situation may occur where supplier installation or user training is included in the purchase. Receiving will attempt to identify materials received without reference to a Purchase Order number. Receiving may choose not to open and inspect the shipment if the order cannot be identified. In these circumstances, the Purchasing Department may be contacted. Receiving will require a signature by the using department at the time of delivery.

Invoices that are received directly from suppliers by using departments must be promptly approved by the department head and sent to the appropriate Business Office. The credit standing of the College depends upon paying our obligations on time. Any individual who is away from the College for an extended period of time should arrange for someone to receive, unpack and inspect merchandise. Arrangements should also be made for prompt invoice handling in such cases.

5.2. Shipping Errors
Errors in shipping for materials received directly by the using department should be reported promptly, in writing, to the Receiving Department. Reference the Purchase Order number, the supplier involved, the receiving slip, and provide sufficient detail so that clarification and correction of discrepancies can be made. This information should be completed and sent to Receiving within three (3) working days after receipt of goods by the department. All cartons and packing material should be saved in case a return is necessary.

5.3. Damage, Shortages and Overages
In cases of a shortage, overage or damage to a shipment, a written report should be submitted to the Receiving Department within three (3) working days after receipt of goods and must include the following information: Purchase Order number, date, supplier and extent of damage or shortage. Failure to timely report damage or discrepancies could result in a disallowance of the claim. In case of damage to a shipment, save all packing material and promptly notify the Receiving Department on the written report required. The department involved is responsible for preparing item(s) for return. This includes packaging, sealing, labeling, return authorization number, etc. Contact the Receiving Department for further information. If the damage
or shortage is not evident at the time of delivery, it is necessary in all cases to notify the carrier within seventy-two (72) hours of a shortage or damaged shipment so that the carrier will arrange for an inspection report. It is advisable to notify the carrier verbally and confirm the notification in writing. It is important that all containers, packaging material, wrappers, etc. be retained for the carrier's inspection. Failure to keep this material may void a claim. The claim inspection report is handled by Receiving and that department will notify the supplier of the shortage and/or damage and ask for a replacement shipment. Receiving will determine who has responsibility for processing the final claim report.

5.4. Import - Foreign Materials
As a general rule, material being imported into this country must be cleared through U.S. Customs. Notification of an arriving shipment which requires clearance will normally be received from the carrier by phone or mail. A Requisition for Custom House Brokerage service should be submitted to the Purchasing Department. Details for Mexican customs procedures may be obtained from established brokers. Information on customs procedures from other countries should be directed to the Purchasing Department.
6. Miscellaneous Purchasing

6.1. Emergency Orders
Emergencies are unforeseen situations which endanger the operations, peace, health, or safety of people or property of the College. Failure to anticipate a need is not of itself considered a bona fide emergency. In a bona fide emergency, the situation will be reported to the responsible supervisor who will take such action as is required. If material or services must be procured, the Director of Purchasing will be notified as soon as practical for the necessary follow-up action.

6.2. Emergency Repairs
Emergency repairs may be made by calling the supplier directly. Send the supplier's copy of the repair ticket with a Requisition and send through the normal approval channels, making sure to identify the situation was an emergency.

6.3. Office Machine Maintenance & Repairs
The repair and preventive maintenance of office machines (computers, typewriters, printers, calculators, copiers and dictation equipment) can be obtained as follows:

1. Through an annual service agreement negotiated by the Purchasing Department with an appropriate supplier. (If under $5,000 a year, the agreements are handled by the Campus Business Office);

2. Through a one-time service call: Departments should contact the Purchasing Department or Campus Business Office for suggested repair suppliers, and to make the necessary arrangements.

6.4. Printing Orders
The Media Production and Publications Department assists in planning and designing printed materials for departments. The department concerned is responsible for ensuring that a Requisition is properly written and submitted to Purchasing for bidding before the printer assumes any production expense. Routine printing jobs (forms, pamphlets, memos, etc.) should be forwarded to the Media Production and Publications Department for initial consideration. If the work cannot be done internally, it will be submitted on an approved Requisition or PCard Request. If the item is a reprint of an existing publication or form printed outside of the College, the following steps should be observed. A Requisition stating the requirements and desired delivery date should be sent to the Purchasing Department along with samples of the items to be purchased. A minimum lead time of six (6) weeks is necessary to allow sufficient bid time (approximately 2 weeks) and a normal printing time of ten (10) to fifteen (15) working days. This can be longer if proofs are requested. Reprints requiring minor alterations...
should have changes clearly marked on all the samples. After an order for printing has been placed by the Purchasing Department, the department that has prepared the Requisition will deal directly with the printing firm in approving or correcting the proof, but changes of quantity or specifications which impact the total cost must be authorized in writing by the Purchasing Department since such changes require a revision of the Purchase Order and encumbered funds.

6.5. Chemical/Hazardous Material Purchases
Certain chemical/hazardous materials that are regulated by governmental authorities (i.e. OSHA, EPA) may not be purchased without the prior approval of the College’s Health and Safety Director.

6.6. Contact with Suppliers
Suppliers play an important role in keeping College personnel informed of products and services available. Personnel are encouraged to take advantage of these supplier contacts. However, specific rules must be followed when dealing with suppliers to avoid financial liability, conflicts of interest and other misunderstandings. The following actions will keep the College and you out of trouble:

1. Do not accept free products for testing or any other reason without approval of the Purchasing Department;
2. Do not contact a supplier after a Bid/RFP process has started;
3. Do not request a supplier to design, measure or do any other work unless a Purchase Order has been issued for the service, even if the supplier volunteers;
4. Always identify yourself as a representative of the College when talking with a supplier;
5. Never promise a supplier that the College will buy a product or service before the Purchase Order is issued;
6. Do not discuss terms and conditions of an order with a supplier unless you have College authority to do so;
7. Questions or clarifications should be addressed to the Purchasing Department.

6.7. Formal Protest and Appeal of Contract Award
A. Content of Formal Protest and Appeal Letter
Any participating bidder may file a protest of a contract award or proposed contract award. The protest or appeal must be in writing and contain at least the following information:
   a. The name, address and telephone number of the protester.
   b. The signature of the protester.
   c. The bid number and date of bid closing.
   d. A statement of the legal and/or factual grounds on which the protest or appeal is based, including copies of information relevant to the bid.
   e. The form of relief requested.
B. Filing Procedure

Protests are to be filed with the Director of Purchasing, Pima County Community College District (College), within 10 calendar days of the date that the protester knows or should have known the basis of the protest, or the award date, whichever is earlier. Failure to protest within this period shall be deemed a waiver of all rights to protest.

If a protest is filed before the award of a contract, no award shall be made until the protest has been administratively resolved, unless the Director of Purchasing makes a written determination that the award of the contract without delay is necessary to protect substantial interests of the College.

A written decision will be issued within ten (10) calendar days after the protest has been filed. The decision shall contain an explanation of the basis of the decision. The Director of Purchasing shall furnish a copy of the decision to the protester by certified mail, return receipt requested, or by any other method that provides evidence of receipt.

The time limit for a decision may be extended by the Director of Purchasing for a reasonable time not to exceed an additional thirty calendar days. The Purchasing Director shall notify the protester in writing that the time for the issuance of a decision has been extended and the date by which a decision will be issued.

C. Remedies

If the Director of Purchasing sustains the protest in whole or in part and determines that a solicitation, proposed contract award, or contract award does not comply with College policies or procedures, the Director of Purchasing shall implement an appropriate remedy. In determining an appropriate remedy, the Director of Purchasing shall consider all the circumstances surrounding the procurement or the proposed procurement, including, but not limited to, the seriousness of the procurement deficiency, the degree of prejudice to other interested parties or to the integrity of the procurement system, the good faith of the parties, the extent of performance, cost to the College, the urgency of the procurement, and the impact of relief on the College's mission.

An appropriate remedy may include one or more of the following: Decline to exercise an option to renew under the contract; terminate the contract; reissue the solicitation; issue a new solicitation; award a contract consistent with this Manual and procedures; reject all bids or proposals without further actions; or such other relief as determined necessary to ensure compliance with the College’s procurement policies and this Manual.

D. Appeals
Appeals of the protest decision may be filed by the original protester only and are to be filed with the Director of Purchasing within 5 calendar days of the receipt of the decision. The notice of appeal shall contain:

a. The information from the original protest letter
b. A copy of the decision of the Director of Purchasing
c. The basis for the appeal.

The Director of Purchasing shall, within 48 hours, give written notice of the pending appeal to the successful contractor if award has been made or, if no award has been made, to participating bidders. Any party so notified shall, upon request, be furnished with a copy of the notice of appeal filed in the matter.

The Director of Purchasing shall notify the Executive Vice Chancellor for Administration or its designee of the appeal. Any hearing or appeal shall be conducted by the Executive Vice Chancellor for Administration or its designee as hearing officer. A written decision will be made within 14 calendar days after the appeal has been filed.

The time limit for a decision may be extended by the Executive Vice Chancellor for Administration or its designee as hearing officer for a reasonable time not to exceed 30 calendar days. The Executive Vice Chancellor for Administration or its designee as hearing officer shall notify the protester in writing that the time for the issuance of a decision has been extended and the date by which a decision will be issued.

E. Stay of Procurement During Appeal
If an appeal is filed before an award of contract and the award of the contract was stayed by the Director of Purchasing, the filing of an appeal shall automatically continue the stay unless the Executive Vice Chancellor for Administration or its designee as hearing officer conducting the appeal makes a written determination that the award of the contract without delay is necessary to protect the substantial interest of the College.

F. Dismissal before Hearing
The Executive Vice Chancellor for Administration or its designee as hearing officer conducting the appeal shall dismiss, upon a written determination, an appeal before scheduling of hearing if the appeal does not state a valid basis for protest, or the appeal is untimely.

G. Remedies
If the Executive Vice Chancellor for Administration or its designee as hearing officer sustains the protest in whole or in part and determines that a solicitation, proposed contract award, or contract award does not comply with College policies or procedures, the Executive Vice Chancellor for Administration or its designee as hearing officer shall implement an appropriate remedy. Remedies shall follow those outlined in the previous section on remedies.
6.8. Document Review Requests
Requests for review of Purchasing documents usually fall into one of two categories:

a. Vendor Requests
Vendors participating in RFP and Bid solicitations may wish to see the RFP/Bid files after an award is made. Access to the files must be approved and monitored by District Purchasing. If the vendor is able to visit the District Office, purchasing will make all of the files or records available at a convenient time for viewing in the office. If the vendor is unable to visit the District Office, staff will copy or digitize the documents requested and transmit or ship them at the vendor’s expense. Copies requested will be made by purchasing staff and the vendor charged per copied or digitized page.

b. Other Requests
Any other requests for purchasing documents must be forwarded to the College Public Information Office for instructions.
Appendix A: Revision History

Following is a list of revisions endorsed after the Effective Date of this document.

<table>
<thead>
<tr>
<th>Revision Number</th>
<th>Revision Date</th>
<th>Revision Description</th>
</tr>
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<tbody>
<tr>
<td>1.</td>
<td>1/30/2016</td>
<td>Changed document cover page “Revised Date” to “Effective Date”; added Appendix A; inserted 2 CFR 200.318 election on series title page.</td>
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