

Central Texas College Materials Management Policy and Procedures Manual	Policy No. 100 Purchasing Policy Reviewed: Nov 22, 2024 Revised: Nov 22, 2024
Purchasing Policy	

I. AUTHORITY FOR PROCUREMENT

The Board of Trustees of the CTCD, hereinafter called the District, has delegated to the Chancellor the authority for all administration to include contracting and procurement activities of the District. This authority is contained in Board Document 314 and further delineated in Procedural Document No. 314.30 (Business Services), which directs that all procedures and practices for contracting District services and the procurement (Purchase or Lease) of supplies, equipment, services, and construction adhere strictly to the applicable laws of the United States of America and the State of Texas to include those prescribed in the Texas Education Code, Local Government Code, Texas Revised Civil Statutes, Attorney General Opinions, Vernon's Annotated Texas Statutes, Federal regulations, and other sources.

Responsibility for direction, performance, and accountability for procurement administration is assigned to the Director of Business Services. For the purpose of efficiency in administration and management, the responsibility for purchasing of supplies, materials, equipment, and construction from outside vendors for all District activities has been centralized in the Purchasing Department, which is an office within the Materials Management Division. The Director of Business Services also acts as the Purchasing Agent for the District and is delegated the authority to act as Agent for the District in carrying out the purchasing activities.

Except as described within this manual, no obligation for purchases shall be entered into without written authorization from the Chancellor. In the case of overseas campuses or sites outside the state of Texas, the Chancellor may delegate this authority as needed. The District will not assume responsibility for the payment of purchases other than those made in compliance with these procedures.

II. RESPONSIBILITIES AND OBJECTIVES

Purchasing services begins when a user department determines a need for goods or services and ends when that need is delivered to the requesting user. The Purchasing Department serves District customers by acquiring all products and services necessary to meet institutional requirements. The Department is charged with the responsibility of acquiring these products and services from acceptable sources at the most reasonable prices, and ensuring they are delivered as specified by the District customer. In providing these services, purchases of all supplies, equipment, and services will be made on a competitive basis whenever possible and will meet the minimum specifications required by the requesting department. The objectives and responsibilities of the Purchasing Department are as follows:

- A. Serve as the focal point for the purchasing effort within the District and to monitor it administratively.
- B. Acquire what District customers need, ensuring that delivery is timely and at the best value, in terms of price, quality, and service.
- C. Work in concert with the Receiving and Shipping Department in processing complaints, claims, and adjustments, and to negotiate for the return of material or other arrangements to the satisfaction of all parties.
- D. Act as the focal point for all communications with suppliers relating to bids and purchase orders.
- E. Ensure that specifications submitted for requests for purchases are worded to clearly describe the minimum requirements, but general enough to foster free and open competitive bidding.
- F. Consolidate purchases whenever possible in order to obtain quantity discounts for volume purchases and to enter into requirements contracts with vendors that will provide correspondingly more favorable prices.
- G. Provide customers with current information on new products and services, substitute materials, prices, and available alternatives when appropriate.
- H. Coordinate with the Inventory Manager and identify serviceable and functional items within the inventory that will meet the needs of the requesting department.
- I. Coordinate with the Accounts Payable Department to ensure cash discounts by prompt processing of vendor invoices and taking advantage of exemptions for state and other taxes applicable to educational institution purchases.
- J. Provide vendors with better public relations by providing vendors, clear and consistent communication, clarity of requirements, and equitable treatment by dealing with one office.
- K. Advise departments when vendors are included on approved cooperatives and/or on the Fiscal Year Board of Trustees approved vendors list.

III. INDIVIDUAL RESPONSIBILITY

Except as set forth herein, any employee who purchases or orders any item or service in the name of the District or who individually obligates the credit of the District without adhering to the procedures outlined herein shall be individually responsible for payment to the vendor or return of the item.

KX0 GENERAL OBJECTIVES

- C0 To afford the most competitive opportunity for individual vendors to provide items to the District.
- D0 To minimize the administrative costs of manpower, storage, and freight costs associated with accomplishing the purchasing function.

X0 CATEGORIES OF PROCUREMENT

Purchases are divided into levels based upon dollar value and method of procurement. The levels of purchase are:

- C0 **Level I - Less than \$10,000** may be ordered in the most expeditious manner by use of one quotation. Quotations will be by typed and must include price, description, quantity, quality, desired delivery date and should be maintained by the department.

NOTE: Level I purchases may be made in accordance with level III requirements, if it appears to be in the best interest of the District. Level I grant purchases shall be in accordance with Section XV of this policy.

- D0 **Level II - \$10,000 to \$49,999.99** shall require one of the following competitive quotation procedures:

- 30 One time purchase of personal property shall require the obtaining of competitive quotes by the issuance of an electronic request for quotation. The Purchasing Department will ensure that all required information is provided such as vendor information, price, quantity, quality of product, desired delivery time and method, and if necessary; warranty and experience. The Department must provide a final technical review and award recommendation to Purchasing. A requisition shall be entered into the Colleague purchasing system by the requesting department in accordance with the price as quoted by the successful vendor.

Note: If a level II purchase is made using an approved CTC purchasing cooperative contract then the three (3) quote requirement is not required. For more information regarding approved Co-ops please contact the Purchasing Department. Level II grant purchases shall be in accordance with section XV of this policy.

2. Multiple purchases of categories of personal property that over the course of the current fiscal year will total \$10,000 but not exceed \$49,999.99 shall require the same procedures as above.

Note: Level II contracts may be established in accordance with the requirements of Level III, if it appears to be in the best interest of the District.

- C. **Level III - \$50,000 or more** shall require a formal bid (see Procedures Policy No.110), and Board Approval. Notice of the time when and the place where the bids will be opened must be advertised in the Killeen Daily Herald at least once a week for two consecutive weeks, the last of which must be ten days prior to the bid due date. Where a department anticipates spending \$50,000 or more in aggregate for the fiscal year through multiple purchases with the same vendor, then they are required to follow level III procedures. Exceptions to this level are:

1. Produce and fuel contracts must be bid in accordance with section V.B. above.
2. Federally funded child nutrition programs are subject to competitive bidding if the contract is valued at \$10,000 or more.
3. Federally funded professional services contracts must be let by competitive bid.

Note: Level III grant purchases shall be in accordance with section XV of this policy.

VI. APPROVING AUTHORITY FOR PURCHASES

- A. Purchases of less than \$2,500.
 1. Department Manager
 2. Dean/Division Director
 3. Fiscal Officer
- B. Purchases from \$2,500 up to and including \$4,999.99.
 1. Department Manager
 2. Dean/Division Director
 3. Fiscal Officer
 4. Cognizant Executive Officer

- C. Purchases from \$5,000 up to and including \$9,999.99.
 - 1. Department Manager
 - 2. Dean/Division Director
 - 3. Fiscal Officer
 - 4. Cognizant Executive Officer
 - 5. Deputy Chancellor for Finance and Administration

- D. Purchases from \$10,000 up to and including \$49,999.99.
 - 1. Department Manager
 - 2. Dean/Division Director
 - 3. Fiscal Officer
 - 4. Cognizant Executive Officer
 - 5. Deputy Chancellor for Finance and Administration
 - 6. Chancellor

- E. Purchases of \$50,000 or more.
 - 1. Department Manager
 - 2. Dean/Division Director
 - 3. Fiscal Officer
 - 4. Cognizant Executive Officer
 - 5. Deputy Chancellor for Finance and Administration
 - 6. Chancellor
 - 7. Board of Trustees

NOTES

- A. The Board of Trustees will be informed and vote to approve or disapprove any contract, agreement, and grant purchases during their monthly meeting. This applies to all vendors with whom the college anticipates spending \$50,000 or more during the fiscal year.

- B. Purchases made from resale accounts for Auxiliary Services are not subject to the approving authority above.

- C. The published approving authority is applicable to off campus locations.

- D. The College District reserves the right to reject any and all bids, accept any bid, waive technicalities and award a bid which best serves the College District.

VII. BLANKET PURCHASE ORDERS

The purpose of blanket POs (BPOs) is to reduce the number of requests processed for repetitive, scheduled, or unscheduled requirements for rent/lease payments, taxes, utilities, office supplies, electrical supplies, etc. Designated Continental Campus sites may use BPOs for procurement of office supplies and other administrative items (consumables) that may be required on a frequent basis. BPOs are valid for the fiscal year (September 1 through August 31) within which they were requested. Specifically excluded from purchase by BPOs are materials and items of equipment that cost \$1,000.00 or more (inventory items) and items which are deemed “sensitive” in nature. Requests for exception to this policy must be submitted to the Associate Vice Chancellor of Business Services, in writing, giving full justification prior to entering the item into the Purchasing System.

The Department Manager with approving authority for a BPO is responsible for ensuring that the College receives the goods and services obtained under said BPO.

VIII. COMPETITIVE BIDDING

Statutes containing requirements for competitive bidding are found in the Texas Education Code, Local Government Code, and Vernon's Civil Statutes. The Purchasing module of the TEA Financial Accountability System Resource Guide provides the many requirements in the competitive bidding process.

The Categories of Procurement outlined in section V above will be adhered to and Level III procurement must be processed in accordance with Procedures No. 110.

CTCD adheres to the vendor limitation requirements as set forth in the Texas Education Code. 51.3525 (b)(1). (See full text in Section XXV)

IX. LEASE AGREEMENTS

The procurement of equipment by lease agreement is subject to the Category of Procurement Limitations stated in section V. above and Procedures No. 110.

X. SPECIAL PROVISIONS

- A. The Professional Services Procurement Act, Texas Statutes Government Code 2254, specifically prohibits the procurement of professional services of any licensed architect, physician, certified public accountant, land surveyor, professional engineer etc. from the competitive bid process. These procurements are the prerogative of the Board of Trustees.
- B. Blanket purchase agreements may be executed and approved for execution as outlined in the levels stated above.

XI. EMERGENCY PURCHASES

Emergency purchases exceeding the dollar amount triggering competitive procurement requirements shall be made in conformance with paragraph (h) Section 44.031 Texas Education Code, which states:

"If school equipment, school facility or a portion of a school facility is destroyed, or severely damaged, or, experiences a major unforeseen operational or structural failure, and the board of trustees determines that the delay posed by the contract methods required by this section would prevent or substantially impair the conduct of classes or other essential school activities, then contracts for the replacement or repair of the equipment, school facility, or portion of the school facility may be made by a method other than the methods required by this section."

The Chancellor may authorize the purchase of items in this type emergency and subsequently report the action to the Board of Trustees.

XII. VENDOR LIST

- A. Departments desiring to initiate bid procedures, will submit a recommended vendor list along with the specifications. The Purchasing Department will also research the category through the Internet for sources, and also utilizing the Texas Comptroller Public Accounts centralized master bidders list.
- B. The District will afford all vendors who request it an equal opportunity to be added on the vendor database. By the same token, vendors who habitually fail to meet contract requirements will be removed from the list upon recommendation by the department involved.

XIII. GIFTS AND GRATUITIES

No employee of the District involved in any way with the purchasing process shall accept or receive, directly or indirectly, from any person, firm or corporation to whom any contract for the purchase of materials, supplies, equipment, or construction for the District may be awarded, by rebate, gifts, or otherwise, any money or anything of value whatsoever, or any promise, obligation or contract for future rewards or compensation.

XIV. CONFLICT OF INTEREST

As a general rule the District does not enter into purchasing contracts with students, faculty, or staff or members of faculty or staff immediate families. Acquisitions from a business in which an employee has financial interest is prohibited, unless full disclosure of the background facts are presented in writing to the Associate Vice Chancellor of Business Services.

XV. RESTRICTIONS ON CERTAIN PURCHASES

- A. Except as authorized by the Chancellor within the limits of the authority delegated by the Board of Trustees, items of a personal nature, such as brief cases, Christmas cards, fountain pens, flowers, and gifts for any occasion may not be purchased with District funds. The purchase of specialty or promotional items such as t-shirts, mugs or pens will be coordinated with the Director of Marketing and Outreach.
- B. Memberships must be purchased in the name of the District and are restricted to those that are required to support the mission of the department for which they are purchased. Further, all memberships must be approved by the appropriate Executive Officer. This approval is required for the initial membership and each renewal.
- C. Subscriptions must be purchased in the name of the District and are restricted to those that are required to support the mission of the department for which they are purchased. Publications available in the College Library will not be purchased by departments, except when it is determined vital to the department operation. In either case, subscriptions must be approved by the appropriate Executive Officer. This approval is required for the initial subscription and each renewal.
- D. Purchases from Sponsored Project Funds (e.g. Carl Perkins) will be made in accordance with CTC purchasing procedures, the Texas Higher Education Coordinating Board Perkins V Equipment Inventory Guide, and CTC procurement policy 130. Additionally, if a governing document specifies alternative procedures, those procedures will be followed on a case by case basis. It is the responsibility of the Project Director or Manager to be aware of any special purchase limitations or requirements applicable to a particular sponsored project and ensure that they are met.

- E. Purchases made with grant funds will be made in accordance with CTC purchasing policy and procedures. Where a grant requires specific or alternative procurement procedures those will be followed in accordance with the award and contractual requirements to the extent allowed by law. It is the responsibility of the department awarded the grant, and the Grant's Manager to be aware of any special purchase limitations or requirements applicable to a particular sponsored project and ensure that they are met.

XVI. PURCHASE REQUESTS REQUIRING PREPAYMENT

The requirement that a check must accompany the PO must be so stated within the requisition. This must be accomplished by adding the phrase "*prepayment required*", on the line Item in the description.

Also add, "*please issue check*" in the printed comments section.

XVII. PURCHASES FOR OVERSEAS SHIPMENT

Purchase Requisitions that require the goods requested to be delivered to the Central Campus Shipping and Receiving Department for subsequent shipment to an overseas campus must include the shipping cost. This cost will consist of two elements. First, the freight cost, which can be easily determined by the weight, size, and mode selected; and second, the cost of crating material. Over-estimating is better than under estimating, because those funds not used will be returned to the requestor's account. Failure to include the shipping cost will cause undue delay in the requested item's arrival at the overseas site.

XVIII. COLLEGE SPONSORED EVENTS

Central Texas College sponsored events which request food and/or beverage service must be coordinated with the College's contract food service provider. CTC's contract provider will work with the department to establish an event plan. When completed, the event plan will be used to initiate a requisition, which will include the quantity, description, and unit price of each line item listed on the event plan. In the "printed comments" section of the requisition, the following information from the event plan should be included: a) filename; b) control number; c) event date; d) event time; e) event location; and f) department point of contact information. Once the requisition is approved, a purchase order (PO) will be issued to the contract food service provider. Reimbursement for food/beverage services obtained outside of the College's contract food service provider is not available. This policy is applicable to Central Campus only.

XIX. CREDIT CARD PURCHASES

College issued credit cards are used to expedite the procurement of goods and services without circumventing College purchasing policies and State procurement guidelines. An approved Purchase Order must be completed prior to the credit card transaction. Any purchase made in violation of College policies and procedures is unauthorized and will become the responsibility of the individual placing the order. The individual placing an unauthorized order will bear the cost of goods and services received.

The individual whose name appears on the credit card is responsible for ensuring that the College receives the goods and services purchased with the card. The cardholder must promptly forward the receipt and purchase order number, or requisition number in cases of an approved emergency purchase, to the Accounts Payable Department to expedite reconciliation of the credit card invoice.

See Appendix C of the Materials Management Purchasing Policies and Procedures Manual for a complete overview of the College's credit card program.

XX. PURCHASE OF EMPLOYEE APPAREL

The purchase of employee apparel, i.e., polo and oxford style shirts, required in the performance of CTC job duties must be made through the College's approved vendor and the Marketing and Outreach Department. Prior to any transaction, the department must gain approval through the responsible Dean or Division Director and ensure the availability of funds. Approval and issuance of a PO or BPO constitute appropriate approval. When the purchase is to be made via the college credit card, a PO to Bank of America should be processed and approved prior to the transaction. At a minimum, a written or electronic record of Dean or Division Director approval must be gained prior to entering any transaction. The individual entering the purchase will be held responsible for any purchases made via a College credit card if proper approval is not gained prior to the purchase.

Note: This policy does not apply to those employees who are required to wear a uniform on a daily basis.

XXI. OFFICE SUPPLIES

Perry Office Products is the current approved preferred vendor for office supplies, to include office equipment (excluding items listed in Section XXII, Technology Purchases, see below). When more cost effective for the College other sources may be used with prior approval from the Associate Vice Chancellor of Business Services. Blanket purchase orders (BPO's) may be initiated for most items; however, fixed assets (items that cost \$1,000 or more) and sensitive items, such as cameras, audio visual items, etc., require a separate purchase order. **Please be reminded that the purpose of the BPO is to reduce the number of requests processed for repetitive or scheduled requirements.**

XXII. TECHNOLOGY PURCHASES

All purchases for software, information technology equipment, and communications equipment, i.e., computers, printers, scanners, fax machines, etc., must be coordinated with the Information Technology Division. All requests for such items must be submitted using the IT - equipment/software request form located in Etrieve.

XXIII. FURNITURE PURCHASES

Krueger International (KI) is the current approved preferred furniture vendor. The Purchasing Department is available to assist you, however your furniture selection must first be approved by the Facilities Department prior to purchase. This includes but is not limited to chairs, desks, tables, file cabinets, etc. Exceptions to this requirement must be pre-approved by the Vice Chancellor for Finance and Administration.

XXIV. GIFT CARDS

Gift cards purchased and issued as awards and/or for drawings must be accounted for using the College's Gift Card Purchase Form. This form must be submitted to Accounts Payable as supporting documentation to issue payment along with a college credit card authorization form if applicable.

XXV. VENDOR LIMITATIONS

In accordance with Texas Education Code 51.3525(b)(1) while performing services under a contract with Central Texas College (CTC), no contractor shall, except as required by law, engage in conduct on behalf of the College that:

1. Is intended to promote diversity, equity, and inclusion in connection with any function of CTC;
2. Includes hiring or assigning an employee or third-party contractor to perform services intended to promote diversity, equity, and inclusion in connection with any function of CTC;
3. Compels, requires, induces, or solicits any person to provide a diversity, equity and inclusion in connection with any function of CTC;
4. Gives preferential treatment to a person performing services for CTC based on the person's provision of a diversity, equity, and inclusion statement;
5. Gives preference on the basis of race, sex, color, ethnicity, or national origin to an applicant or an employee that will perform services for CTC; or
6. Requires participation in a diversity, equity, and inclusion training as a condition of performing services for CTC.

XXVI. VENDOR TERMINATION

Contractors that engage in conduct that violates the requirements stipulated by TEC 51.3525(b)(1) as stated in Section XXV, Vendor Limitations, are subject to termination of contracts held with Central Texas College District.