

ADMINISTRATIVE RULE NO: 5035-04
RELATED TO POLICY SERIES: 5035 & 5080

TITLE: PURCHASING - GENERAL

The Purchasing Office will assist staff as needed in the purchasing of equipment, materials, or services for the college.

- A. Purchasing will occur when board-approved, budgeted funds are available and authorized by appropriate staff with budgetary authority. (See: Section F.)
1. Procedures for purchasing are governed by:
 - a. Oregon state law
 - b. LBCC board policy
 - c. LBCC administrative rules
 - d. Community college rules of procurement
 2. Failure to comply with established procedures shall cause the liability to become a personal one.
- B. Purchase orders are required for all purchases that meet or exceed \$1,000 including freight, shipping, and all incremental charges, and/or all capital outlay expenditure purchases.
1. Capital outlay expenditures are for:
 - a. the acquisition of, or the increase of, visible, tangible property of a non-consumable nature; and
 - b. items with a unit cost of \$1,500 or more and a useful life of more than two years; or
 - c. software with a unit cost of \$1,000 or more.
 2. Purchases under \$1,000 must utilize one of the following options:
 - a. Although a purchase order is not required, one may be issued through the college's electronic purchasing system.
 - b. If a purchase order is not issued, the purchase must be documented with an invoice on file in the Accounts Payable Office and must contain an authorized signature and the account number to be charged on the invoice.
 3. Purchases at or above \$1,000 require a purchase order and must:
 - a. be issued through the college's electronic purchasing system; and

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- b. be approved by appropriate staff with budget authority for the respective account. (See: Section F)
 4. Exceptions to the purchase order process may occur when waived in writing by the chief fiscal officer or designee with such waiver(s) placed on file in the Accounts Payable Office, or for the following types of expenditure:
 - a. for authorized employee travel vouchers and advances related to travel;
 - b. for continuous utility and monthly services, i.e., phone, power, etc.;
 - c. personal services contracts;
 - d. contracted services;
 - e. facility rentals;
 - f. dues/memberships/registrations;
 - g. conferences/accommodations;
 - h. reimbursements;
 - i. LBCC Enterprise Services items for resale;
 - j. intercampus charges;
 - k. contracts made with public agencies or the federal government;
 - l. investments;
 - m. employee benefits, including, but not limited to, insurance and TSAs;
 - n. advertising;
 - o. contracts between public agencies utilizing an existing solicitation or current requirement contract of one of the public agencies that is party to the contract for which the original contract met the competitive bid requirements of this policy and the contract allows other public agency sage of the contract and the public agency concurs.
 5. Blanket purchase orders do not go through the college's electronic approval process so the hard copy purchase order must be signed by the appropriate management staff and must indicate the account number to be used.
- C. Competitive quotes are encouraged for purchases when it is in the best interest of the college and to assure optimum value for the dollar.
 1. When the cost is expected to be from \$5,000, not to exceed \$10,000, quotes must be:
 - a. from at least three prospective vendors; and
 - b. secured in a confidential manner either in writing or by phone; and
 - c. signed by the appropriate staff with budgetary authority, recorded, and placed on file in the Purchasing Office prior to the disbursement of a purchase order; and
 - d. awarded to the responsible bidder submitting the lowest, responsive bid.
 2. When the cost is expected to be from \$10,000, not to exceed \$50,000, quotes must be:
 - a. requested in writing, with coordination from the Purchasing Office, to

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- prospective vendors with detailed specifications as to the product or service needed; and
- b. secured from three or more prospective vendors in writing; signed by the vendor or his/her agent; other methods (fax, e-mail, electronic data interchange, etc.) are acceptable if followed up with hard copy; and
 - c. received in a confidential manner; and
 - d. signed by the appropriate staff with budgetary authority, recorded, and placed on file in the Purchasing Office prior to disbursement of a purchase order; and
 - e. reported to the Board of Education with the action taken and the reason for the selection of a particular vendor; and
 - f. awarded to the responsible bidder submitting the lowest, responsive bid.
 - g. When the contract is for a “public improvement” as defined in ORS 279A.010(1)(aa) and/or for “public works” as defined in ORS 279C.800(5), and the contract price exceeds \$25,000, the college and the contractor shall comply with:
 - (i) The prevailing wage provisions of ORS 279C.800 to 279C.870, when applicable;
 - (ii) The contractor registration requirements of ORS 701; and
 - (iii) Any other law applicable to such a contract.
3. Exceptions to the quote process requirement may occur when an item(s) is listed in the Community College Rules of Procurement, purchased from Oregon State Price Agreement, or when waived in writing by the chief fiscal officer or designee with such waiver(s) placed on file in the Accounts Payable Office.
- D. Competitive bidding is undertaken on all major purchases to assure consistency of specifications, an opportunity for qualified vendors to participate, and optimum value for the dollars expended. The Purchasing Office will assist staff in the preparation of specifications and will solicit and open bids.
1. The formal bid process will occur when:
 - a. it is deemed in the best interest of the college; or
 - b. the price of the item(s) under consideration is expected to meet or exceed \$50,000 for regular purchases and public improvements or \$75,000 for personal services contracts or those involving architectural, engineering, land surveying, or related services.
 2. Finalization of bidding process:
 - a. Awarded to the responsible bidder submitting the lowest, responsive bid.
 - b. All bids prepared for board action will include a schedule listing of the bids and the staff's recommendation pertaining to acceptance or rejection.
 - c. The Board of Education reserves the right to waive formalities and to reject any or all items of any or all bids.
 3. Exceptions to the bid process requirement occur when:

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- a. Item(s) is(are) listed in the Community College Rules of Procurement, purchased through Oregon State Price Agreements, or waived in writing by the chief fiscal officer or designee with such waiver(s) placed on file in the Accounts Payable Office.

E. Multi-step related bidding

When it is considered impractical to initially prepare a purchase description to support an award based on price, an invitation for bids may be issued requesting the submission of un-priced offers to be followed by an invitation for bids limited to those bidders whose offers have been determined to be technically acceptable under the criteria set forth in the first solicitation.

The college reserves the right to require mandatory prequalification of bidders when a multi-step sealed bidding process is determined to be in the best interest of the college.

F. Budgetary authorization and authorization levels

1. Designated classified staff, as defined in job description, up to \$500.
2. Department chairs/program coordinators up to \$500.
3. Designated individuals, as approved by the president/vice president level, up to \$2,500.
4. Management staff up to budget limitations.

DATE OF ADOPTION: 08/13/84

DATE(S) OF REVISION(S): 07/02/91; 06/29/93; 07/12/94; 02/21/95; 05/16/95;
09/03/96; 06/14/05