LAREDO COLLEGE

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PURCHASING PROCEDURES

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CHAPTER I

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I. Mission Statement

The Mission of the Purchasing Office is to provide the Administration, Faculty, and Staff the purchasing services necessary to accomplish their goals and objectives while safeguarding the College's financial resources and fostering vendor inclusiveness and competition.

II. Goals

The Purchasing Office shall:

A. Purchase all goods and services at the best price and quality in an efficient and timely manner ensuring that the College gets the best value for their funds;
B. Purchase goods and services in accordance with established policies and procedures;
C. Establish and maintain purchasing procedures.

III. Policy

Contracts for the acquisition of personal property, construction, maintenance, renovations, or services shall be in accordance with the Texas Education Code, State of Texas Vernon Annotated Statute, College Policies and any other applicable federal, state, and local laws.

IV. Ethics

To foster fair, ethical and legal trade practices, the Purchasing Office staff adheres to the ethical standards of the purchasing profession. These standards call for granting all suppliers equal consideration insofar as Federal, State, and the College's policies permit. They include avoiding any conflict between personal interests and the interest of Laredo College. These standards and civil statutes bind all college employees. It assures the purchasing of quality goods and services in a fair and competitive environment.

V. Conflict of Interest

A conflict of interest occurs when an employee participates directly or indirectly in the procurement process from which that employee, member of the employee's family, or other persons known to the employee will benefit financially, either directly or indirectly.

VI. Commitment of Funds

A. Great care should be taken to ensure that all funds are used in accordance with the College's policies and the State of Texas' Education Code Section 44 (Fiscal Management).
B. All purchase commitments shall be made on a properly drawn and issued purchase order document.
C. The signatures of the Purchasing Supervisor (limited to $5,000), Purchasing Director, Vice President of Finance and/or President on an official purchase order are the only signatures that can legally bind College funds.
D. No employee has the authority to enter into purchase contracts or in any way obligate funds unless specifically authorized in writing by the President or the Vice President of Finance.

E. Those employees who purchase goods or services without a duly authorized purchase order (unauthorized purchase) may be held personally liable for the total amount due to the Vendor.

VII. Specifications

A. The requesting Department should provide very clear specifications on the requisition that will correctly spell out their needs.

B. The specifications should be highly functional, describing performance and design.

C. Although not required, the Department should specify what they do not want to see in the product so that the Purchasing Office can take steps to preclude this in the request, be it a Quote, Bid, or Request for Proposal;

D. Special care should be taken not to intentionally or needlessly specify features or functions that may mislead a Vendor or limit the purchase to a specific Brand or Exclusive Provider.

E. Departments should not request any types of demos or demonstrations of vendor products without informing the Purchasing Office as to avoid any possible appearance of vendor preference. The department and vendor contact should be limited to quotation and product specifications.

F. Equipment purchases such as requests for information systems and computer software will need to be reviewed and approved by the Information Technology Department.

G. Audiovisual equipment purchases need to be reviewed and approved by the Media Department.

H. The purchase of promotional items with logos, advertisement or radio broadcasting services will need to reviewed and approved by the Marketing Department.

I. Departments are instructed to contact the Purchasing Office for assistance at any stage of the purchasing process.

VIII. Purchasing Office Responsibilities

A. The Purchasing Office is responsible for making sure that specifications for purchases of goods and services meet Federal, State, and College guidelines.

B. The Purchasing Office:

1. Assists in obtaining specifications;
2. Prepares formal and informal bid requests;
3. Requests quotations;
4. Assists in the preparation of Request for Proposals;
5. Prepares bid tabulations
6. Addresses issues between the College and the Vendors regarding shortages, damaged goods, including the coordination of merchandise returns and credits.
7. Keeps management and the Board of Trustees (BOT) informed of purchasing activities;
8. Obtains required approval from the Board of Trustees (BOT) or its designated representative for contract approval;

9. Ensures that the College's funds are being expended in accordance with the College's policies and all federal, state, and local laws.

C. Once the purchasing process begins, it is the responsibility of the Purchasing Office to handle all contact or correspondence with the Vendor.

D. Requesting departments must keep the Purchasing Office informed of changes, events, and specifications that may affect a purchase or payment.

E. The requesting department is limited to seeking vendor quotations for goods and services. Any commitment of funds is processed through the Purchasing Office.

IX. Budget Process

A. The College's budget process begins early in the Spring Semester.

B. College departments are urged to contact the Purchasing Office early in the budget process if the Department is planning to budget for purchases of specialized equipment.

C. The Purchasing Office will gladly assist departments to obtain cost estimates, specifications, and any other information needed for the preparation of their departmental budgets.

X. Other Funds

A. Restricted funds

1. Restricted funds are funds designated for specific purposes derived from a gift or a grant agreement with a governmental, private, or non-private entity.
2. Requisitions for purchases using restricted funds require approval from the grant director or grant administrator overseeing the grant.
3. Requisitions for purchases using grant funding must also be approved by the Restricted Grants Manager prior to being submitted to the Purchasing Office.
4. Purchases using Federal and State Funds must be made in accordance with College purchasing procedures.

B. Agency funds

1. Agency Funds are resources retained by the College as an agent for College clubs or organizations.
2. Purchases using Agency Funds must be made in accordance with College purchasing procedures. This requirement excludes Student Club Accounts. Purchases for club accounts will be handled through the Accounting Office using the direct payment method.
3. Requisitions for purchases using agency funds must be approved by the club sponsor and club president or treasurer.

C. Auxiliary Enterprise Funds

1. Purchases using Auxiliary Enterprise Funds must be made in accordance with College purchasing procedures.

XI. Vendor Debarment / Exclusions

A. Purchases using federal or state funding must be allowable under federal and state procurement and contracting laws. The Purchasing Office will review the excluded parties list to ensure that Vendors (companies/contractors) are not excluded from receiving Federal contracts, certain subcontracts, and certain Federal financial and nonfinancial assistance and benefits. The regulations in 2 CFR part 180 and Executive Orders 12549 and 12689 restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

Federal Excluded Parties
https://www.sam.gov

State Excluded Parties
http://www.window.state.tx.us/procurement/prog/vendor_performance/debarred/

XII. Receipt of Goods and Services

A. Receipt of Goods/Services:

Central Receiving Department personnel should accept delivery only after they:

1. Open the boxes and examine the shipment,
2. Verify that all of the items ordered were actually received,
3. If the delivery is accepted, a receiving report is generated which lists all of the items delivered.
4. The receiving report and the items received are delivered by the Central Receiving Office to the Department that placed the order and they should do the following:

   A. Check the delivery on receipt and advise the Purchasing Office of any discrepancies.

   B. If there are no discrepancies, then acknowledge the delivery by signing the receiving report.

   C. When any order is received directly from the Vendor or is picked up at the Vendor's location, the Department must advise the Central Receiving Office and the Purchasing Office. A receiving report is then prepared and delivered to the Accounting Office.

B. Duplicate Shipments:

Duplicate shipments must be returned to the Central Receiving Department immediately. An email must be sent to the Purchasing Office to coordinate the return of duplicate shipments. The Accounting Office should also receive notice that a possible duplicate shipment may be invoiced. The Purchasing Office will request credits/credit memos for any duplicate invoices.

C. Purchase Orders for Services:

When services are being performed or the work has to be accepted before payment is remitted, the Department head should submit a Certificate of Conformance to the Accounting Office which certifies that the work has been completed. The form should include the following information:

1. The Vendor's name,
2. The Purchase Order number,
3. A short description of the work performed,
4. A certification of the work performed,
5. The signature and title of the department head ordering the service,
6. The name of the Department, and
7. The date of the certificate.

XIII. Payment Process

The three-way match for the payment process is complete when the Accounting Office receives:

A. The approved purchase order;

B. The receiving reports, payment will only be made for those invoices that agree with the receiving reports; (an exception is if the Purchasing Office agrees to send the Vendor a partial payment on goods received although the order is not complete);

C. The invoices,

1. Are usually received within thirty days after the orders have been delivered.
2. Once everything is in ordered, the Accounting Office will process invoices for payment.
3. Invoices must be for only those items which have been received or the Accounting Office will hold on to them until all items have been received or an accord is reached by the Purchasing Office with the Vendor to issue a partial payment.

D. If the invoice amount is correct and does not exceed the purchase order amount by more than 10% or $150.00, whichever is less, the Purchasing or Accounting Office will request an email from the Department authorizing the additional charge be deducted from their budget (excludes Standing Purchase Orders). The reply to the email should be sent to both the Purchasing Office and the Accounting Office.

E. An additional requisition will be needed, if the invoice amount exceeds the purchase order amount by more than 10% or $150.00, whichever is less.

F. Departments receiving any documents pertaining to the payment of goods and services should promptly submit the documents to the Accounting Office.

G. The payment for utilities, student club funds, memberships, travel, professional licenses/subscriptions, and conferences or training for professional development may be paid without the use of a purchase order (Direct Pay). For these payments, a proper requisition must be submitted to Accounting Office with all required signatures and approvals along with original invoices.

XIV. Returns or Exchanges

All returns and exchanges without exception must be coordinated through the Purchasing Office.

XV. Prompt Payment Rule

A. The Texas State Legislature implemented a prompt payment rule in September 1987.

B. The rule requires governmental entities to make payments within 30 calendar days from the date an order is received, the services are completed, or the invoice is received.

C. If Vendors do not receive payment on or before the due date, governmental entities may pay interest on the unpaid balance at a rate of one percent per month beginning on the date the payment is due.

CHAPTER II

THE PURCHASE PROCESS

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Open Market Purchases - Purchases for goods and services are done through the open market using one of the following methods:

I. **The Formal Method** is a process utilized by the College when the contract has a value of $100,000.00 or more. This type of solicitation and award is governed by the Texas Education Code Section 44.031 (a) and (g) and by the Local Board Policy. The process shall use one of the following purchasing procedures, whichever provides the best value to the College:

A. Competitive bidding

1. Requires very detailed specifications and there is little or no room for negotiation. This method is more commonly used for commodity items and supplies if the aggregate amount exceeds $100,000.00 and bids for these items cover an aggregate twelve (12) month period.
2. Is used for the purchase of College property (except fuel and produce) when the contract amount exceeds $100,000.00 and bids for these items cover a twelve (12) month period.

B. Request for Proposals (RFP) must be used when:

a. The purchase amount is over $100,000.00
b. A scope of work or specifications for performing the services is needed;
c. Price or fee is required and will be the major consideration.

C. Requests for Competitive Sealed Proposals (RFCSP)

1. Request for Competitive Sealed Proposals (RFCSP) is the preferred method of purchasing as it allows for negotiation. This method should be used when detailed information is required aside from cost to determine an award, such as:
   a. Vendor's performance capability;
   b. Financial resources;
   c. Qualifications;
   d. Personnel that will be assigned to a project; and
   e. Vendor's concept and approach to a project.

D. Procurement Methods for Construction Projects

1. Contracting for maintenance, renovation, repair or construction projects where the amount exceeds $100,000 shall comply with Texas Government Code 2269. Chapter 2269.101,151,.201,.251,.301,.401 provides six methods of procurement for construction services that the College may use.
   (1) Competitive Bidding;
   (2) Competitive Sealed Proposals;
   (3) Construction Manager Agent (CMA);
   (4) Construction Manager at Risk (CMR);
   (5) Design Build; and
   (6) Job Order Contract
2. Construction services, (new construction, renovation, repair, and facility maintenance) or new equipment requiring infrastructure improvements must be coordinated through the Physical Plant Department. Campus requests for facility improvements (Capital Projects) must be approved by the appropriate

Executive Council Member and submitted to the Vice President of Finance for approval.

E. Request for Qualifications (RFQ)

1. The engagement or contract of any professional services of any state or federally licensed physician, optometrist, surgeon, architect, certified public accountant, land surveyor, registered engineer, or any group or association thereof may not be selected or awarded a contract for services on the basis of competitive bids.
2. Instead, the procurement of professional services shall be contracted on the basis of a two-step process:
3. Initial selection shall be based on the demonstrated competence and qualifications of the person or firm who is to provide the services.
4. After a selection is made, a contract shall be negotiated at a fair and reasonable price.
5. Their professional fees must be consistent with and not higher than the published recommended practices and will not exceed the maximum provided by state law.
6. If a contract is not negotiated with the most highly qualified candidate, negotiations shall be formally ended and negotiations shall begin with the second highly qualified candidate. Negotiations shall be undertaken in the above sequence until a contract is awarded.

F. Cooperative Purchasing

1. A cooperative purchasing arrangement can increase the buying power of the College through large volume discounts. If the purchase is $100,000.00 or greater, the Purchasing Office will seek Board of Trustees approval.
2. This arrangement involves the College participating with other non-profit organizations to acquire goods and services.
3. Cooperative Agreements currently exist in:
   a. The State of Texas General Services Commission;
   b. Cities and county governments;
   c. Community Colleges;
   d. Certain other nonprofit organizations.

The district may utilize cooperative vendors under a Cooperative Purchasing Program. The district is currently participating in the following cooperative purchasing programs:

- BuyBoard National Purchasing Cooperative
- TIPS-The Interlocal Purchasing System
- DIR- Texas Department of Information Resources
- Choice Partners National Purchasing Cooperative
- E & I Cooperative Services
- Sourcewell (formely National Joint Powers Alliance)

- OMNIA Partners
- PACE- Purchasing Association of Cooperative Entities
- TXMAS-Texas Multiple Award Schedule
- PCA-Purchasing Cooperative of America

To confirm if a vendor is part of a Purchasing Cooperative or has a contract, please search with the vendor name on the Pavilion website. Pavilion helps you quickly find, use, and share contracts from public entities across hundreds of categories.

G. Inter-local Agreements

1. Participation in Inter-local Agreements between the College, other school Colleges, state agencies, and other local governmental agencies can provide the College a greater flexibility in the acquisition of goods and services.
2. The purchasing processes should be clearly spelled out in the agreement and be reviewed by the College attorney.

H. Texas State Department of Information Resources (DIR Program) Vendors

1. Information Systems products and services purchased through the DIR Program (Texas Department of Information Resources) have been competitively procured through sealed bids or competitive proposals and are made available through state term contracts without the requirement of bidding out the purchases. As a State of Texas educational institution, the College may purchase directly from these Vendors. If the purchase is $100,000.00 or greater, the Purchasing Office will seek Board of Trustees approval.

I. Board of Trustees' Award Letter Approval

1. Once all of the documentation on all bids or proposals with a value of $25,000.00 to $99,999.99 is obtained, the Purchasing Office will approach the Board of Trustees' designated representative with a formal award letter to approve the purchase.
2. A check list of requirements has been created to insure that the proposal gets to the designated representative before the purchase order is created.
3. If the representative approves the documentation, then the Purchasing Office can proceed with the purchase. If the representative does not approve the documentation, then it has to be presented to the full Board at a regularly scheduled Board meeting.

II. The Informal Competitive Quote/Bids Method

A. Purchases with a total cost of less than $100,000.00 are purchased using the informal competitive method.

B. The informal competitive method is a process where quotes / bids are solicited from Vendors by facsimile, mail or email. These quotes/bids are not advertised in local newspapers.

C. Awards will not always be to the lowest bidder, but to the lowest responsive bidder

whose bid provides the best value to the College.

D. For single purchases with an aggregate amount up to $10,000.00, at least one written quotation shall be obtained and submitted to the Purchasing Office for consideration of the price, quality, delivery time and the need of the College.

E. If the aggregate amount of the purchase is between $10,000.01 and $99,999.99, a minimum of three written quotations must be obtained and submitted to the Purchasing Office for consideration of price and quality of goods or service.

F. Although it is preferable that the Purchasing Office obtain the quotes, whenever the Department obtains quotations for any reason, the quotations should be attached to the requisition.

G. The Purchasing Office is the final authority in determining if the quotations can be used.

III. Right to Reject Bid

The College has the right to reject any or all bids.

IV. Separate, Sequential, or Component Purchases

When preparing requisitions, the requesting Department must be aware that employees shall not intentionally or knowingly make or authorize separate, sequential or component purchases to avoid bidding requirements. Separate, sequential or component purchases made to avoid bidding requirements violate the Texas Education Code Section 44.032.

A. "Component purchases" are defined as purchasing of the component parts of an item that in normal purchasing practices would be made in one purchase.

B. "Separate purchases" are purchases, made separately, that in normal purchasing practices would be made in one purchase.

C. "Sequential purchases" can be defined as purchases made over a period of time that in normal purchasing procedures would be made in one purchase.

D. **Violation of this provision is a Class B or C misdemeanor**. Conviction may result in removal from office or dismissal from employment. Additionally, employees that violate this statute may be barred from employment with educational institutions in Texas.

V. Catering Services

A. Departments may order services directly from off-campus catering vendors as long as the entire amount of the purchase does not exceed $10,000.00. A purchase order must be issued by the Purchasing Office before the order is placed.

B. If the aggregate amount of the purchase is more than $10,000.00, a minimum of three written quotations is required.

C. Catering and purchase of food is limited to College business events, such as campus/community events, student events, meetings, and professional development activities.

VI. Sponsorships

A. Local organization sponsorships are restricted to the President's community relations budget and approval.

VII. Technology Purchases

A. The Information Technology (IT) department must approve all specifications for IT equipment (computers, tablets/iPad, scanners, printers, etc.), software, cloud services, and technology-related accessories to be used for computer or IT equipment. IT department will also verify if any proposed software is part of any existing software maintenance agreements.

B. The Information Technology (IT) department must approve cloud computing services per the Texas Risk and Authorization Management Program (TX-RAMP). The district complies with TX-RAMP and requires certification from cloud service providers as part of the procurement process.

C. The College may utilize the Texas Department of Information Resources (DIR) website when purchasing any type of technology.

D. The Information Technology (IT) department and the Purchasing Office should be involved in any planning and coordination of services for demos and/quotes.

VIII. Sole Source Purchases

A. The College may purchase personal property which is available from only one source without further competitive solicitation.

B. Prior to requesting a sole source purchase, departments must consider the following questions:

1. Is there absolutely no other equipment that can perform the same function?
2. What unique design/performance feature(s) does this equipment have which is essential to your requirements?
3. State why this feature is critical to upgrade your equipment or service.
4. What other suppliers/users were contacted? Was their product/service considered to have similar capabilities?
5. Is this product an integral repair part or accessory that must be compatible with existing equipment? Why is it the only part that can be used? Reference must be made to the LC asset number for the original product.
6. If the Vendor claims to be the sole source provider of the good or service, the Purchasing Office will contact the Vendor so that they can submit the approved LC Sole Source Letter to ensure compliance with Texas Education Code 44.031 requirements and standards.

C. The following are some examples of sole source purchases.

1. An item for which competition is precluded because of the existence of a patent, copyright, secret process, or monopoly;
2. A film, manuscript or book;
3. A utility service, including electricity, gas, or water; and
4. A captive replacement part or component for equipment
5. The sole source exception does not apply to mainframe data-processing equipment and peripheral attachments with a single-item purchase price in excess of $15,000.

Education Code 44.031 Subchapter B (j)-(k)

IX. Exempt Purchases

A. Travel/Professional Development - Employees will be responsible for obtaining pricing on hotels, airfares, car rentals and other related travel related expenditures.

B. Library and Health Facilities - As per Section 2155.139 of the Government Code library books and periodicals are exempt from standard purchasing practices, i.e. the bidding process. §2155.139.

1. Exemption for Certain Libraries and Health Facilities. An acquisition is exempt if the acquisition is for a:
   (a) Library operated as a part of a university system or institution of higher education;
   (b) Library or resource-sharing program operated by the Texas State Library and Archives Commission; or

   (c) State owned hospital or clinic; and

2. The goods or services acquired are:
   (a) Serial and journal subscriptions, including electronic databases and information products;
   (b) Library materials, including books not available under a statewide contract and papers;
   (c) Library services, including binding services not available under a statewide contract; or
   (d) Library equipment and supplies.

C. Advertisements, to solicit services, bids, and employment vacancies are published in the local newspaper. Additional advertisements needed to market the different college programs and for student outreach purposes can be both published in the local newspaper and/or advertised in other venues such as radio, and social media markets.

D. A specialize repair of equipment or service (i.e. performer, speaker, evaluator, other type of service) in instances in which said services are available from only one provider or because of exclusive talent, distribution, or marketingrights.

E. The exceptions listed above are not exempt from the requisition and signature approval procedures of the College.

X. Repair or Renovation Services

A. Contracts for the repair or renovation of existing facilities costing more than $10,000.00 are also subject to the competitive process.

B. Purchasing will work with the LC staff or the architect/engineering to develop specifications.

XI. Prepaid Purchases

A. When it is necessary to include payment along with the issuance of a purchase order,

the requester should clearly indicate the need on the requisition. Such instances will be limited to transactions that involve vendors that do not accept purchase orders or vendors that require payment at the time of order or rendering of service.

B. Advance payments requests are processed within seven working days.

C. Purchasing may decline to authorize payment if the goods are subject to a competitive bid process.

XII. Emergency Purchases

A. Emergency purchases are allowed to meet urgent and unexpected requirements where health and public safety or the conservation of public resources is at risk.

B. The emergency purchase is exempt from competitive bidding.

C. The Purchasing Director may approve emergency purchases valued under $25,000.00. The College President and Vice President of Finance may approve emergency purchases valued at $25,000.00 to $99,999.99.

D. The Board's Designated Representative must approve emergency purchases valued at $100,000.00 and above; if the emergency requires immediate attention, the President may approve the requisition.

E. When a Department needs to make an emergency purchase, the requisition should include a justification which explains the reasons for the emergency.

F. The department head should call or email the Purchasing Office Director to advise them of the emergency. Approval will be issued via email or by other means to proceed with the purchase and/or service. Once goods are received and/or service takes place, the department should submit a requisition so that payment can be initiated to the vendor.

XIII. Lease Purchase Agreements

A. Leasing equipment is an option that should only be considered when it is in the best interest of the College.

B. The Department should submit its requests at least a sixty days in advance of when the Department wants the leasing contract to start.

XIV. Equipment Repair Services

A. When departments need to secure services for equipment repair, the requisition should list the equipment needing service, LC tag number, service required, pictures, and the estimated cost.

B. All equipment repairs should be coordinated through the Purchasing Office.

CHAPTER III

EVALUATING BIDS AND PROPOSALS

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I. The Opening of the Bids / Proposals Document

A. The opening of the bids/proposals should always be witnessed.

B. Witnesses may include:

1. A member from the Purchasing Office,
2. A member from the requesting Department,
3. A member from the Finance Division and,
4. The Vendors.

C. The Purchasing Director or his or her designee should always be present.

D. The names of the proposers are announced to those present.

E. For Request for Proposals (RFP) for non-construction goods and services, only the names of the vendors submitting proposals are read aloud;

F. Request for Competitive Sealed Proposals (RFCSP) are publicly opened and the names of the proposers and the total pricing of their proposals are read aloud;

G. For Competitive Bids, the names and pricing information are read aloud;

H. For the Construction Manager Agent, Construction Manager at Risk, and Design Build Method, only the names of the vendors submitting proposals are read aloud;

I. For Request for Qualifications (RFQ), only the names of vendors submitting proposals are read aloud.

II. Preparing the Tabulation

A. Most of the proposals for items that the College wants to purchase are not difficult to tabulate; however, there are proposals which while not difficult to tabulate require a common denominator.

B. For example, items that come in cases could vary in the number of units included in each case.

C. Moreover, quantities (i.e. feet, milliliters, etc.) may vary for units from different Vendors.

D. To overcome this problem, prices will be requested from Vendors using the unit of measure most common to the product being evaluated.

E. This unit of measure will be used to prepare any tabulation necessary for the evaluation of vendor prices.

III. Evaluation of the Bids / Proposals

A. The purpose of competitive bidding is to purchase goods and services through fair competition.

B. Awards are made to the Vendor who complies with all of the terms of the request for proposal (RFP) and provides the best value to the College. In determining the best value, and in order to comply with Education Code Section 44.031, the College shall consider the following:

1. The purchase price;
2. The reputation of the Vendor and of the Vendor's goods or services;
3. The quality of the Vendor’s goods or services;
4. The extent to which the goods or services meet the College’s needs;
5. The Vendor's past relationship with the College;

6. The impact on the ability of the College to comply with laws and rules relating to historically underutilized businesses;
7. The total long-term cost to the College to acquire the Vendor's goods or services;
8. For a contract for goods and services, other than goods and services related to telecommunications and information services, building construction and maintenance, or instructional materials, whether the vendor or the vendor's ultimate parent company or majority owner:
   (A) has its principal place of business in this state; or
   (B) employs at least 500 persons in this state; and
9. Any other relevant factor specifically listed in the request for bids or proposals.

C. Awards for construction services are made to the Vendor who complies with all of the terms of the request for proposal under Government Code Chapter 2269. In determining the award of a contract under this chapter, the College shall consider the following:

1. Price;
2. Offeror's experience and reputation;
3. Quality of the offeror's goods or services;
4. Impact on the ability of the College to comply with rules relating to historically underutilized businesses;
5. Offeror's safety record;
6. Offeror's proposed personnel;
7. Whether the offeror's financial capability is appropriate to the size and scope of the project; and
8. Any other relevant factor specifically listed in the request for bids, proposals, or qualifications.

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I. Procurement Documents

A. Procurement documents are used for the acquisition of goods andservices.

B. The procurements documents commonly used are the requisition, standard purchase order, standing purchase order, and pettycash.

C. **The Requisition** form is used by the departments to initiate the purchasing process by furnishing the purchasing department with the specifications, the quantities or services required the estimated amount, the account to be charged, and the suggested Vendor.

D. **Standard Purchase Order (Purchase Order)** are used to specify what product or services are being ordered, the agreed price, quantity, delivery, terms and conditions, and payment terms.

E. **Standing Purchase Order (Blanket Purchase Order)** are used to encumber an amount covering the purchase of goods to be used every quarter or on an annual basis (not to exceed the entire fiscal year). Standing Purchase orders are used for purchases of fuel, food, construction materials, automotive supplies, and cell phone services for qualifying departments.

1. The requisition should indicate the total cost of the goods or services for the period of time needed.
2. To prevent over expenditure of funds, the Purchasing Office establishes quarterly Standing Orders unless an annual service is needed. The department heads should maintain accurate records on all standing purchaseorders.

F. Petty Cash

1. Petty Cash requests are limited to $100.00 and may be authorized for local vendors who do not accept purchase orders. The requisition should include a description of the items to be purchased and the suggested vendor name or vendor's names if purchases will be made from multiplestores.

G. Contracts

1. Additionally, the College enters into individual contracts for specific services such as construction, consulting and professional services, and insurance; these contracts have to be reviewed by legal counsel.
2. It is the responsibility of all departments to submit copies of all finalized contracts (other than employment contracts) to the Vice President of Finance.
3. The process requires that, after departmental representatives develop the initial concept of a contractual agreement, they discuss the contract and implications with their respective Executive Council Member, the President, the Vice President of Finance or the College Attorney. The President and Executive Council Members have sole authority to negotiate and finalize such contracts.
4. For recurring contracts, the departments should maintain an expiration schedule. Ninety (90) days before the expiration of the contract, they should notify the Vice President of Finance so that contracts can be re-negotiated and approved with ample time.

H. Contracted Services Agreement – Limited to one $5,000 request per Vendor per fiscal year unless three quotes are attached for the justification of services.

(Please reference the Contracted Service Form and Guides from the Accounting Office.)

- Contracted Service Form
- Contracted Service Guidelines

CHAPTER V

PROCEDURES FOR COMPLETING REQUISITIONS

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I. The Requisition Form

A requisition form is required for all College purchases of goods and services.

II. The Correct Ordering Routine

A. Requesters (departments) are not authorized to place orders.

B. Placing orders is the responsibility of the Purchasing Office.

C. Orders not placed by Purchasing are considered unauthorized purchases and are not acknowledged as College liabilities, and employees may be held personally liable for the purchase or purchases.

III. Preparing the Requisition

A. The information required when filling out a requisition varies from purchase to purchase. It is essential to provide as much information as possible. The following will offer some guidelines.

1. A requisition number will be assigned by the Purchasing Office. This number identifies each requisition making its way through the processing standards of the Purchasing Office. Each Department should maintain a log of the requisition numbers assigned.
2. Date Issued - Enter the date the requisition is prepared by the Department.
3. Ship To - Enter the name of the Department to where the goods and services should be delivered. If the items need to be delivered off campus, special arrangements must be made with the Purchasing Office and Central Receiving Office.
4. Requester's name - Enter the name of the requester, email, and telephone extension of the person requesting the goods and services.
5. Suggested Vendor's name, address, phone number, and email
    a. Supply this information if a department has a suggested Vendor.
    b. This information is essential to the purchasing function when the suggested Vendor needs to be contacted to confirm specifications and cost.
    c. If the Department contacts more than one Vendor, the information should be included in the remarks section and the additional quotes should be attached to the requisition.
    d. If the requester does not have a suggested Vendor, this section should be filled in with "Purchasing Department Assist."
6. Budget Account Number
    a. In this space, enter the budget account number to be charged for the purchase.
    b. Account numbers can be obtained from the Department's budget report.
    c. The requesting Department (s) should only use account numbers that they have been authorized.
    d. Approval from the Accounting Office is needed if the Department needs to use an account it is not authorized to use.

7. Date Needed
    a. If event, date the service is needed.
    b. If an item is needed within a certain period, this should be pointed out in the remarks section.
    c. If grant, list grant end date to ensure delivery before grant end date.
8. Item Number (as listed on the vendor quote)
9. Quantity (Number of units) - Enter the quantity desired, specifying the unit of measure (each, dozen, carton).
10. Description- In this section describe the goods or services needed; writing complete specifications will expedite the purchase.
11. Unit Price - Obtained from the suggested Vendor or their catalog, enter the price of one unit of the items being requisitioned.
12. Amount - Enter the extended price, which is the unit price multiplied by the quantity.
13. Current Catalog Price- If the catalog price block is checked, catalog information should be included in the remarks section. Catalog information should include catalog volume, page number and the current year. If the current price is checked, the Vendor's name, contact person and phone number should be included.
14. Comments - The comments section should be used to provide additional information to communicate special instructions to Purchasing.
15. Approval and Signatures - Approvals are required before a requisition can be processed.

IV. Requisition Thresholds for Signature Approval

Approvals are required before the Purchasing Office can process a requisition. Additional approvals may be required by your perspective Executive Officer.

A. Required Approvals for all purchases including equipment approved through the College's Budget Process.

Requisitions issued out of **General Fund, Auxiliary Funds** and **Departmental Agency Funds** require the following signature approvals.

1 – $49,999.99	Requester, Department Head Approval, & Accountant
$50,000.00 and >	Requester, Department Head, Executive Officer Approval, & Accountant

Requisitions issued with **Restricted/Grant Funds** require the following signature approvals.

1 – $49,999.99	Requester, Grant Administrator, & Grant Accountant
$50,000.00 and >	Requester, Grant Administrator, Executive Officer, & Grant Accountant

Requisitions issued with **Construction/Bond Funds** require the following signature approvals.

1 – $49,999.99	Requester, Construction Manager, & Bond Accountant
$50,000.00 and >	Requester, Construction Manager, Executive Officer & Bond Accountant

Purchases with **Student Club Funds** require the approval of club sponsor and club president or treasurer.

These funds are **exempt** from the College purchasing requirements.

B. Required Approvals for Purchases for equipment and furniture NOT approved during the College's Budget Process.

$.01 – $9,999.99	Requester, Department Head, & Executive Officer Approval
$10,000.00 - $49,999.99	Requester, Department Head, Executive Officer, & President Approval

C. For all purchases regardless of the funding source, the following procurements approvals will apply after the Purchasing Director issues approval.

$25,000.00 - $99,999.99	Award Letter (Approved by Designated Board Member)
Greater than $100,000.00	Board Approval

CHAPTER VI

PURCHASE ORDER FORM

Purchase Order Form **29**

II. Purchase Order Form

A. The purchase order is the legal document that constitutes the final agreement between the Vendor and the College.

B. The contractual relationship arises immediately upon receipt of the Purchase Order, authorizing the supplier to ship and invoice for the ordered goods or services.

C. The purchase order form is printed in the Purchasing Office; copies are emailed or faxed to the following:
   1. The Vendor
   2. To the Requesting Department

D. Purchase Order Number
   1. The purchase order number is sequentially assigned by College's Information System (Banner).
   2. This will also be the number of the receiving report, as Central Receiving copy used to create the receiving report.

E. Date - The date the Purchase order is issued.

F. Requisition #, will be used for on-line requisitions.

G. Vendor – name and address

H. Vendor ID – the operating system identification number for the Vendor

I. Bill To & Ship To – LC's address and requestor

Main campus is delivered to the Central Receiving Department, West End Washington Street, Laredo, TX.
LC South Campus is delivered to LC South Campus, 5500 South Zapata Hwy, Laredo, TX.

J. Account Number – expense account to be charged

K. Amount – the cost of the purchase

L. Item – Item number / Item Description

M. Quantity - The number of items on order and the unit of measure

N. Unit Cost - Price agreed to with Vendor

O. Total cost – The quantity times the unit price

P. Expected Delivery Date
   1. Local purchase – ten days
   2. In State purchase – thirty days
   3. Out of State purchase – thirty days
   4. Special order items – may take over 90 days

Q. FOB – shipping instructions always FOB Destination

R. Terms and Conditions - the terms and conditions are addressed to the Vendor and intended to protect the interests of the College.

S. Purchasing Officer Signature and Date - To be a bona fide order, the purchase order must be signed by an authorized representative of the College. Signature authority is vested only in the Director of Purchasing, Vice President of Finance, President, and the Assistant Director of Purchasing (authorization limited to purchases of $25,000.00 or less).

T. In absence of Director of Purchasing, the Assistant Director has the signature authority of all purchase orders with written notification.

For any questions regarding information contained in this Purchasing Procedures Manual, please contact the Purchasing Director at 956-721-5111 or by email at purchasing@laredo.edu.

PROCUREMENT PROCESS

