



ADMINISTRATIVE PROCEDURE

TITLE: PURCHASING

ADMINISTRATIVE PROCEDURE # 6330 *(was 601 AP)*

RELATED TO POLICY # 6330 Purchasing *(was 601)*

Introduction:

1. In all procurements, the purchaser shall act in the best interest of UCC to determine best value and promote a fair and competitive process among vendors. Purchase decisions may be made on lowest price, but factors such as warranties, shipping and handling fees, delivery schedule, and quality should also be considered.
2. Public employees may not benefit directly from their position, or as a result of any transaction involving public funds as per ORS244.040. Further, UCC employees authorized to purchase on behalf of the College may not solicit or accept any gratuity from a vendor.
3. There are three primary thresholds governed by statute.
 - a. **Small** Procurements are less than \$10,000.00.
 - b. **Intermediate** Procurements are greater than or equal to \$10,000.00 but less than \$150,000.00.
 - c. **Large** Procurements are greater than or equal to \$150,000.00.
 - i. There are **exceptions** to these thresholds, which under certain conditions may affect the dollar amounts. Contact purchasing staff or refer to the college's principle body of rules – The Community College Rules of Procurement (CCRP), which are located on UCC's internet Purchasing page under Purchasing Policies.

A. Small Procurements:

1. Decentralized Purchasing

UCC has decentralized purchasing authority for Small Procurements. Under most circumstances*, purchases under \$10,000.00 generated at the department level may be completed if sufficient budget and signature authority exists. These

approval levels are established by the Office of Business Services and set in Banner.

2. Order to Pay

With few exceptions a Banner generated Purchase Order is required for all purchases made on behalf of the College. The standard "Order to Pay" process is as follows.

- a. Identify the need
- b. Identify the source and secure pricing
- c. Generate the Purchase Order (PO)
- d. The PO is routed for approval
- e. The PO is approved
- f. The PO number is submitted to the supplier
- g. The goods/services are provided and accepted
- h. The invoice, referencing the PO number is uploaded to DocuWare's AP File Cabinet
- i. The Invoice is processed and the check mailed.

3. Capital Equipment Purchases:

All items of \$5,000 or greater must be purchased with a Purchase Order, receive full approval prior to placing the order, and charged to the proper Capital account.

4. Technology Purchases, (hardware *and* software):

Technology related merchandise, including software and subscriptions, but excluding peripheral accessories, must be approved by the IT Department. Make your request by entering a HelpTicket.

5. *Exceptions to the Purchase Order Rule (include but are not limited to the following):

- a. Travel and training related expenses.
- b. Purchases with suppliers that do not accept purchase orders. Some web-based businesses do not offer credit terms. A college issued Credit Card may be used.
- c. In a time-constrained situation or true emergency. Ex.: if a critical piece of equipment fails suddenly and use of cash or an issued credit card results in the quickest repair.

**Purchase Orders or more detailed and formal Contracts are required for
Intermediate and Large Procurements.**

B. Intermediate Procurements:

1. The Purchasing Manager must be involved to ensure compliance with applicable policies and statutes. A Purchase Order is required, which may be generated in

the originating department. A required minimum three (3) Quotes from different vendors ensures market competition and keeps vendors active and engaged. Communicating equally with each vendor is critical so no vendor has a competitive advantage. Quotes may be accepted by any method, but the purchaser soliciting them must document all contacts and forward the information to the Purchasing Manager for the official files. The official signed Purchase Order, complete with Terms & Conditions, is printed in the Purchasing Office. Full system (Banner) authorization is required prior to sending the Purchase Order or communicating the Award.

2. If a formal contract is drawn up for this level purchase, it may only be signed and executed by the College President, Chief Financial Officer, or an authorized designee.

C. Large Procurements:

1. The Purchasing Manager has oversight responsibility for the Solicitation, Evaluation, Contract and Award and must be involved to ensure compliance with applicable policies and statutes. A Purchase Order and Formal Contract are required. The appropriate Solicitation type (e.g., RFI, RFB, RFP) and Contract type (e.g., PSC, PKS, CM/GC) are selected as most appropriate to the purchase.
2. The formal Solicitation shall be made in writing and be advertised on the Oregon Purchasing Information Network (ORPIN) and other avenues to ensure market coverage and fair market competition. Formal written responses will be accepted by the Purchasing Manager or designee. Responsive Bids or Proposals will be evaluated by UCC staff as facilitated by the Purchasing Manager. Contract Documents are submitted for legal review when necessary.
3. Full system (Banner) approval is required prior to order placement, award, or contract execution.
4. The College's Board of Education, acting as the Local Contract Review Board (LCRB) will be notified throughout the solicitation process.
5. The official signed Purchase Order with Terms & Conditions is included with the contract documents.
6. All related documentation and correspondence are kept in Purchasing Department files in accordance with BP 3310, Records, Retention, and Destruction.
7. Contracts at this level may only be signed and executed by the College President, Chief Financial Officer, or authorized designee.

SPECIAL RULES AND OTHER PURCHASE TYPES:

1. Fragmenting a Purchase:

Under no circumstances will UCC staff attempt to artificially divide or fragment a purchase in order to avoid Oregon Statutes as outlined above. (as per ORS279B.065 and ORS279B.070)

2. Credit Card Purchases: See AP 6331.

3. Standing Purchase Orders:

Purchases that generate multiple invoices for an extended time period may be generated as Standing Purchase Orders. The Purchasing Manager generates these with assistance from the originating departments generally during the first month of each fiscal year. All Oregon Statutes apply.

4. Order to Direct Pay:

When a Purchase Order is not possible and expediency is best practice, authorized staff may place an order (usually by phone or on-line) and accept an invoice. After confirming receipt of goods or services, authorized staff shall approve the invoice in DocuWare as per standard procedure. The approver's Banner authority must equal or surpass the invoice total. Direct Pay may only be applied to Small Procurements at the department level.

5. Proforma Invoice Payments.

Pay-in-Advance or Partial Deposits for goods and services is allowed only under exceptional circumstances and is evaluated by the Purchasing Manager and Office of Business Services staff on a case-by-case basis. Contact the Purchasing Manager prior to placing the order whenever a vendor requests this. This applies to all level of purchases.

6. Payment Terms:

UCC pays invoices with standard Net30 day terms. The College will accept discounted terms when negotiated by the purchaser and properly communicated to Accounts Payable.

7. College Store Purchases:

The College Store staff handle their own procurement activity. Goods and services purchased for departmental use remain governed by Oregon Statute and Community College Rules. Items purchased for resale are exempt from standard competitive bidding requirements per CCR.228. Items such as textbooks, which may include Intellectual Property or Copyrights, are exempt from that process per ORS 279A (2)(h) and CCR.212.

RESPONSIBILITY:

The Purchasing Manager is responsible for implementing and updating this procedure.

NEXT REVIEW DATE:

DATE OF ADOPTION: 11/12/2019 by CC

DATE(S) OF REVISION:

DATE(S) OF PRIOR REVIEW: