

Rancho Santiago Community College District
ADMINISTRATIVE REGULATION
Chapter 6
Business and Fiscal Affairs

AR 6330 Purchasing

References:

Education Code 81656
Public Contract Code 20650-20653 and 20651;

Delegation and Approval Limits

A. The Board delegates to the District Chancellor, or to such staff member as he or she may designate, the authority to expend up to \$250 per transaction for work done, compensation for employees or consultants, and purchases of equipment, supplies, or materials where ratification by the Board shall not be required, as long as the other policies stipulated by the Board are followed.

B. The Board delegates to the Director of Purchasing Services and the Vice Chancellor of Business and Fiscal Services the authority to sign purchase orders and contracts, on behalf of the District, pursuant to proper application of all other Board policies.

C. The Board shall require its advance approval of all contracts or purchase orders for transactions in the following or higher annual dollar amounts, including applicable sales taxes, freight, and other initial purchase costs:

1. Equipment, materials, supplies, and services *(Bid limit is adjusted annually pursuant to Public Contract Code #20651)
2. Public works \$15,000 **(i.e., construction, alterations, repairs, or improvements)
3. Consulting or instructional services \$15,000
 - a) Category "3" includes those services described under Government Code Section 53060, Special Service and Advice, and covers services in financial, economic accounting, architectural, engineering, legal, and administrative matters. It also includes all lecture and instructional services, which are not covered by collective bargaining agreements.
 - b) When time is of the essence, the Chancellor or designee is authorized to pre-approve items up to \$30,000 in category "3" and report to the Board of Trustees for subsequent ratification. For this exception there is an annual maximum of \$30,000 with each consultant, instructor, or contractor.

*2017 (\$88,300)

** (Subject to the District's adoption of BP6603, Informal Bidding Procedures Under the Uniform Public Construction Cost Accounting Act)

D. Procedures will be implemented to assure that there are not multiple transactions to the same vendor which are at or below the advance approval amounts.

E. Employees who violate the approval limit procedures can be subject to disciplinary action up to and including termination.

F. Multi-year contracts which annually or in the aggregate require spending in excess of the amounts at C 1-3 above must have advanced approval by the Board. If a long-term contract with renewal options has been approved, each annual renewal does not have to be approved.

G. Transactions for amounts less than those specified in item C 1-3 above can be executed by the Director of Purchasing Services, the Vice Chancellor of Business Operations and Fiscal Services, or the Assistant Vice Chancellor of Fiscal Services on behalf of the District and submitted for Board ratification within 60 days of execution, as long as all of the policy and procedural guidelines stipulated by the Board are adhered.

H. The Auxiliary Services Business Office shall be responsible for centralized purchasing for the auxiliary operations.

I. Staff and faculty members who evade purchasing procedures and commit the District to financial obligations without proper authority are personally liable for those commitments and subject to reprimand.

General Money Management

The Governing Board recognizes that money and money management comprise the foundation of support of the whole District program.

To accomplish the above, the Vice Chancellor of Business Operations and Fiscal Services, Assistant Vice Chancellor of Fiscal Services and Director of Purchasing Services will do the following:

1. Maintain regular lines of communication with other District departments to inform them of District policies and to get their support regarding compliance.
2. Maintain regular lines of communication with the business community and the State Chancellor's Office for direction and information.
3. Provide adequate training and communication for staff members to facilitate their compliance with policies.
4. Review spending trends and patterns for compliance with policies during budget cycles and year-end audit and financial reporting cycles.
5. As part of the year-end review process, prepare and analyze reports of spending by major vendors and commodity.

Cooperative Purchasing

The Director of Purchasing Services is authorized to make purchases through the State of California Cooperative Purchasing Program operated by the Department of General Services, the Foundation of California Community Colleges and via liaison systems established with other public agencies including county, city, town or district. These types of purchases will be

executed when they are in the best interest of the District relative to optimum pricing, delivery, and purchasing logistics.

To accomplish BP 6330, the Director of Purchasing Services will do the following:

1. Establish systems which will enable them to maintain a liaison with the Department of General Services and stay current on available cooperative or piggyback purchasing arrangements which meet the above criteria. Possible sources are: a. Affiliation with CASBO and similar professional organizations, b. Affiliation with the Orange County Department of Education, c. Affiliation with the Foundation for California Community Colleges, d. The use of automated bulletin boards and other formal or informal information systems.
2. Work closely with Facility Planning and Construction and Support Services, Information Technology Services, and other departments during the plans for major procurement items so that possible cooperative and piggyback options can be explored as soon as possible.
3. Provide adequate training and communication for staff members to facilitate their compliance with the policy.

Purchasing Code of Ethics

To comply with the Purchasing Code of Ethics the Director of Purchasing Services will do the following:

1. Establish systems which will enable them to stay current on all significant changes in legal codes and regulations affecting community college purchasing. Sources for this are: a. Affiliation with CASBO and similar professional organizations b. The use of manual or automated published legal services which provide current reference data.
2. Publish and keep current Purchasing brochure, which includes basic information regarding the District's Purchasing Code of Ethics, for distribution to current and prospective vendors.
3. Provide adequate training and communication for staff members to facilitate their compliance with the Purchasing Code of Ethics.

To facilitate this policy the Vice Chancellor of Business Operations and Fiscal Services and Governing Board will:

1. Maintain separation of duties between Purchasing, Accounts Payable and cash disbursements functions.
2. Instruct the Assistant Vice Chancellor of Fiscal Services and Accounting Manager-Accounts Payable to review transactions for compliance.
3. Instruct the District's independent auditors to periodically examine Purchasing operations for compliance.

Responsible Manager: Director of Purchasing Services

Revised: March 17, 2014 (Previously AR3300, AR3302, AR3304 and AR3306)

References Updated: March 16, 2015

Revised: August 21, 2017