

I. Purpose

The purpose of this policy is to establish guidelines for purchasing goods and services on behalf of the College.

II. Scope

All purchasing activities are governed by federal and state laws. Purchases made for federal and state contracts or grants shall follow this policy and/or the contract or grant requirements, whichever is most restrictive.

III. General

The Board of Trustees has delegated authority to the Purchasing Department:

- A. To facilitate all purchasing processes and assist in the establishment of lease agreements between the College and other parties.
- B. To seek Board of Trustees approval for purchases exceeding \$100,000, unless already authorized within the approval of a larger capital project. The total anticipated payment to a supplier must be considered in determining purchase order total, including anticipated expenses over and above the direct cost of the good or service. When an increase in the total purchase from under \$100,000 to over \$100,000 is expected, or a cumulative increment of \$100,000, over the original Board Authorization, the change order shall be reported to the Board's Audit Committee, and forwarded to the Board for approval.
- C. To notify the Audit Committee of the Board of Trustees of non-competitive purchases (sole source and no-bid) over \$25,000 within three days.
- D. To facilitate Executive Privilege purchases by the President of the College for professional services under \$25,000. Of which, only six can be requested during any given fiscal year.
- E. To delegate limited purchasing authority to authorized employees via a purchasing card program.
- F. To ensure all purchases are made in a manner free from conflict of interest and establish safeguards to ensure a purchasing system of high quality and integrity. The safeguards are outlined as standard operating procedures.
- G. To coordinate emergency purchases.
 1. "Emergency" shall be defined as an occurrence or need that presents a hazard to students, employees or the general public, a physical plant problem that would impede or shut down operation of a facility, or a systems failure that would seriously impair any critical function of the college for which remedial action could

not reasonably be delayed 24 hours.

2. In cases where delaying an emergency purchase of \$100,000 or more until the next regularly scheduled Board meeting would result in a material undue expense, or in cases of an emergency, the President will inform the Board Chairperson or his/her designee of the need to proceed with a purchase and request his/her approval. Every effort will be made to contact all Board members to notify them of the emergency requirement. Members of the Board shall be notified of the final disposition of the purchase.

- H. To notify departments when Purchasing Policy violations occur and keep a record of such violations. Violations of the Purchasing Policy include but are not limited to: (a) pyramiding of purchases or splitting transactions which would result in avoiding the requirements for competitive bidding; (b) accepting goods or services prior to completing the appropriate purchasing process; (c) signing a contract on behalf of the College without being an official signatory; (d) having packages delivered to non-college addresses; and (e) using the college purchasing card to make personal purchases.

Any violation is subject to discipline. Any instance of fraud or misuse of College funds will be reported immediately. Any cumulative amount over \$1,000 will be reported to the appropriate Executive Leadership Team member and Human Resources. Such violations will also be reported monthly to the Audit Committee of the Board of Trustees.

- I. To coordinate the contract signature process for purchase and lease agreements. Only individuals employed by the college in the following positions, (President, Executive Vice President, Chief Financial Officer, and Purchasing Director), may sign a contract on behalf of the College.

III. Responsibility

Responsibility for the interpretation and administration of this policy is delegated to the Executive Vice President or his/her designee.

Adopted: 6/19/2006

Revised: 6/15/2009, 11/21/2011, 9/16/2013, 11/19/2018