

PURCHASING POLICIES  
PROCEDURES AND GUIDELINES  
GLENDALE COMMUNITY COLLEGE DISTRICT

## TABLE OF CONTENTS

	Page
I. INTRODUCTION	3
II. PURCHASE OF MATERIAL AND EQUIPMENT	4
A. REQUISITIONS	4
B. OPEN PURCHASING ACCOUNTS/BLANKET ORDERS	6
C. PRE-ENCUMBERED PURCHASE ORDERS	7
D. PRE-ENCUMBERED REIMBURSEMENTS (MAXIMUM REIMBURSEMENT \$200)	7
F. CREDIT CARD PURCHASES	8
III. PROCEDURES FOR ORDERING PAPER, ENVELOPES, LETTERHEAD STATIONERY AND MAILING LABELS	8
IV. RECEIVING REQUIREMENTS	9
V. EXCHANGE/RETURNS OF MERCHANDISE	9
VI. FORMAL BIDS	10
VII. COMPUTER/TECHNOLOGY PURCHASES	11
VIII. PERSONAL SERVICES AGREEMENTS	11
IX. CONTRACT SERVICES	12
X. EQUIPMENT PURCHASES	13
XI. GRANT PURCHASES	13
XII. TRAVEL	14
XIII. APPENDIX	15

## I. INTRODUCTION

The purchasing of goods and services is one of the most important and sensitive support functions of the District. There is an inherent conflict between the need to comply with the various government codes and good business practices while ensuring that District employees receive the best service in a timely manner. The Purchasing Department is committed to providing competent and responsive purchasing procedures for the District that endeavors to balance the aforementioned needs.

The Board of Trustees, in its Administrative Regulations and Board Policies has specified that all purchasing activity be coordinated through the Purchasing Department.

This manual is an explanation of the methods designed to assist in the purchasing process.

Many of the forms, links, and instruction as well as other useful information is available on the District website under Administration - Administrative Services Department – Business Services at the following link:

<http://glendale.edu/index.aspx?page=1928>

II. PURCHASE OF MATERIAL AND EQUIPMENT  
(OBJECT CODES 4200, 4300, 4480, 4550, 4590, 6410, 6420 AND 6425)

An Oracle Requisition is done online and the instructions and requirements are posted on the District website.

A Buy Out requisition is the paper form used for the purchasing of goods and services for the District.

The following procedures shall be followed:

A. REQUISITIONS

1. Requisitions for purchases will be developed into Purchase Orders only when there are unencumbered funds available or arrangements have been made for additional appropriations through established channels. This approval shall be in advance of purchase.
2. Specifications on requisitions must be complete when submitted to the Purchasing Office. No commitments are to be made by instructors or staff members when securing information about products and/or services. Specifications for instructional items shall be developed through the appropriate departments. Such specifications must be non-exclusive regarding brand name items.
3. Attach any information received from the vendor either to the online requisition, the Buy Out requisition or separately to Purchasing noting the requisition number on the documents.
4. All persons responsible for providing materials and services for their respective departments are urged to anticipate future needs so that purchasing can proceed in a timely fashion and not on an emergency basis.

5. Purchases will be based on quality, availability and price.
5. The District has an account with Office Depot for office supply purchases. Purchasing has issued a set of standards for office supplies which is available on the District website. There is also access to the Office Depot website with the pricing specific for the District to assist with getting the correct items and the cost.

### REQUIREMENTS OF BASIC REQUISITION

1. Requestor's Name
2. Departmental Account Number
3. Suggested Vendor (include name, mailing address, website and telephone number especially if it is a new supplier.)
4. Location on campus for goods to be delivered (Building and room number)
5. Funding year
6. Estimated Expenditure
7. Date Requisition submitted
8. Special Instructions to be given to Vendor
9. Complete description of items to be ordered (include part, catalog or book number and cost quote). Include any information received from the vendor.
10. Unit of measure (each, box, package, lot, etc.)
11. Estimated unit cost
12. Signature/Approval of Requestor

13. Signature/Approval of Division Chair and any other necessary approvers

Note: Attach any hard copies of information received from the vendor.

**B. OPEN PURCHASING ACCOUNTS/BLANKET ORDERS**  
(Object Codes 4200, 4300, 4550 and 4590)

Blanket Purchase Orders are used when multiple purchases to the same vendor are anticipated during the Fiscal Year.

1. Submit a completed Buy Out requisition or Oracle Requisition to Purchasing.
2. Indicate authorized personnel to utilize open account. Only persons named will be allowed to charge a purchase.
3. After Purchasing encumbers the indicated amount, the Purchase Order will be sent to the vendor with listing of authorized names.
4. After a purchase is made, the vendor will mail an invoice to for payment. Payments will be deducted from the encumbered amount.
5. Blanket Order encumbrances may either be increased or decreased by sending memo or email to Purchasing with instructions.
6. Open accounts may only be established for the District's Fiscal Year (July 1 – June 30). All open accounts and Blanket Orders will be closed at the end of the Fiscal Year and must be re-established for the next Fiscal Year.

### C. PRE-ENCUMBERED PURCHASE ORDERS

(Object codes 4200, 4300, 4400, 4550, 4590 and 5650)

A pre-encumbered purchase order provides a way to purchase or pick up an item for immediate use. Payment will be made directly to the providing vendor. The process is for the purchase of items and/or repairs to equipment.

1. Submit a signed "Buy Out" or Oracle requisition to Purchasing
2. Requisition will reflect complete name of suggested vendor, address, website/email, telephone number of the contact person.
3. Please include a quotation from the vendor if there is one available or a note letting Purchasing know to use best vendor.
4. Purchasing will encumber funds for payment to the vendor and issue the Purchase order to the vendor authorizing the expenditure.
5. Verification of receipt of items (packing slip) or repair should be given to Purchasing within ten (10) working days of authorization to purchase or end of the service/repair.
6. Vendor will send invoice referencing the PO number via US mail or via requestor to District Purchasing Department.
7. Purchasing and Accounts Payable will work expeditiously to process payments.

### D. PRE-ENCUMBERED REIMBURSEMENTS

(MAXIMUM REIMBURSEMENT \$200)

Pre-encumbered reimbursements allow a person to go out and make a purchase from any vendor and submit the receipts to the District for reimbursement. This has been designed for people who

may find it advantageous to make purchases where special pricing may be offered or to facilitate an event or supply expenditure.

1. Submit a signed and itemized paper or online requisition to Purchasing prior to making the purchase.
2. Requisition amount will be encumbered and funds set aside from the requisition account.
3. Authorization will be given to requestor by Purchasing to make purchase.
4. Requestor will return original invoice and/or receipt to Purchasing within the (10) working days of receipt of purchase to process the reimbursement to requestor.

#### E. CREDIT CARD PURCHASES

Credit card purchases are only to be made under the following conditions:

1. Emergency purposes only by the Departments approved for such credit card use.
2. By the Purchasing Department if no other acceptable means is available for the purchase.

#### III. PROCEDURE FOR ORDERING 8 ½ BY 11 WHITE PAPER, COLORED PAPER CARDSTOCK PAPER, INTEROFFICE MEMO PADS, RETURN ADDRESS ENVELOPES, LETTERHEAD STATIONERY AND MAILING LABELS.

1. Submit a Warehouse Requisition form to Purchasing for encumbrance. No direct phone calls to Central Receiving, or the Duplicating Center, will be accepted.
2. Purchasing will then direct the requests to Facilities for further processing.

Warehouse requisition forms are available in Purchasing.



#### IV. RECEIVING REQUIREMENTS

All merchandise ordered through the Purchasing Department must be delivered through Receiving to insure that a three-way check system is satisfied. The barcode of item will be scanned and the item will be shown received on Oracle.

Any fixed asset item with a value of over \$500 and/or technology purchase must be inventoried and assigned an inventory number. The fixed asset item is any consumable with an estimated life of 3-5 years. It is identifiable by Model, Serial Number or other information specific to that item. Technology equipment will be delivered to ITS who will tag those assets. All other equipment will be tagged by Central Receiving. Both Departments will regularly submit the spreadsheets to Accounting for inclusion on the asset listing. Items will remain on the list until Board Approval as surplus or other in accordance with Board Policies.

The tree-way check system is as follows: ordering, receiving and invoicing/payment. The first two steps must be completed before the third step can be implemented.

If Central Receiving is not notified of a delivery, the receiving step is left open and payment may not be made by Accounting.

#### V. EXCHANGE/RETURN OF MERCHANDISE

On occasion, items purchased may have to be returned or exchanged. All exchanges or returns are to be processed through the Purchasing Office to insure proper credits and/or adjustments can be made to the original purchase order.

Notification of any exchange or return will be made to the Purchasing Office in writing. Purchasing will then notify Accounts Payable not to process payment to the vendor.

All exchanges, returns or disposal of surplus merchandise needs the approval of the Director of Business Services, prior to being processed.

## VI. FORMAL BIDS

When an individual, or department, wishes to purchase materials and/or equipment in excess of the maximum bid threshold, or the securing of services in excess of the required amounts under the California Education Code requiring a formal bid be must be prepared. A formal bid requires advertising in a local, regularly published newspaper. This action will solicit bids from vendors. It has been the policy of the District to obtain at least three (3) independent responses to a formal bid.

The initial request made by the department/individual is sent to the Purchasing Department for validation of encumbrance of budgetary funds. Additional specifications and/or delineation of services required is then communicated to the Purchasing Department. Formal Bid documents include invitation to bid, the advertisement announcement and the general conditions of the bid. This standard “boiler plate” is then followed by specifications for items and/or services to be rendered. All bids for materials and/or services require a bid bond valued at a percentage of the total bid which functions as a surety that the contractor will enter into an agreement to provide the materials and/or services at the bid price. This bid bond can be in the form of a surety bond or cashier’s check in the amount of the percentage indicated in the bid documents.

Upon dissemination of the request for bids, and after the prescribed time limit, the bids are opened in a public forum at the time and place announced in the bid documents. The bids are then analyzed for appropriate responses to the bid documents and the inclusion of a bid bond. Subsequent to that review, a Board action item is prepared for the next scheduled Board of Trustee meeting recommending the award of the contract for materials/services to the lowest responsive, responsible bidder. By acceptance of the bid by the Board of Trustees, a purchase order is then entered into the computer which allocates the funds for the materials/services and notification is made to the successful bidder. The successful bidder

then provides the appropriate forms properly executed as required in the bid documents.

Upon completion of the requirements of the bid documents, the vendor submits an invoice to Accounts Payable which then matches the purchase order, copy of the bid, the Board action and invoice. After all requirements have been met, payment will be made through Accounts Payable.

## VII. COMPUTER/TECHNOLGY PURCHASES

All purchases for computers and technology must meet the standards set forth by the ITS. Standards are set by the ITS and appropriate Committees.

## VIII. PERSONAL SERVICES AGREEMENTS

Personal Services Agreement forms are available for general distribution in the Purchasing Office and on the website. The Personal Services Agreement form is utilized when the District contracts with Individuals to provide a service. The individual is acting as an independent contractor and not associated with any company or firm. Personal Services Agreement forms require both a board approved signatory and that of the contractor. The social security number and correct contact information for the individual contractor is also necessary. The contractor must submit a request for payment under the terms and conditions set forth in the Personal Services Agreement after the services have been rendered and signed off by the manager/requestor.

A prepared Personal Services Agreement is presented to the respective Vice President's office for signature prior to the performance of the requested services. The Agreement must then be submitted to Purchasing for inclusion in the Contract Board Report.

Upon completion of the work, the pay request is submitted to Purchasing or Accounts Payable for processing.

If multiple payments are to be made over a period of time, the Purchasing Office will encumber the total amount of the agreement on a purchase order. Requests for payment may be submitted as payments become due.

At the end of the calendar year, Accounting is required to issue IRS 1099 forms on all Personal Services Agreements in excess of \$599.99. Any compensation amount under the designated aggregate amount will not receive a 1099 form.

Note: Services provided by regular salaried employees (full/part time, hourly, etc.) in Excess of their primary assignment should not be covered by a Personal Services Agreement. Payment for such services/extra assignment shall be paid through the Payroll Department.

#### IX. CONTRACT SERVICES (Object Codes 5690, 6210, 6215)

Contract Services are provided to the District by a vendor/company and not by an individual. Contract Services require the execution of a Proposal/Agreement form. This agreement document can only be executed by a designated representative of the Board of Trustees. Contract service requests must be made on a "Buy Out" or Oracle Requisition describing in detail the services to be provided and other related terms and conditions. All contracts should be reviewed by Purchasing prior to submission of the requisition to ensure compliance with rules and regulations and a review of contract terms.

A completed requisition with Proposal/Agreement is forwarded to the Purchasing Department to encumber the total amount of the agreement. A printed purchase order is then forwarded, along with a copy of the agreement, to the vendor/company. At the partial completion or final completion, the vendor/company can submit an invoice or payment.

Note: Current Education Code Regulations require the District to competitively bid all contract services in excess of \$14,999.99. The

exception to this regulation is the procurement of “Professional Services” which are exempt from the bidding requirement. (Contact the Purchasing Department for more information concerning “Professional Services”).

#### X. EQUIPMENT PURCHASES (Object Codes 6410, 6420)

Purchasing will assist in obtaining quotes and proposals to assure compliance with Government Codes and Purchasing Guidelines. Equipment requests must be made on a “Buy Out” or iProcurement requisition describing in detail the services to be provided and other related terms and conditions. A completed requisition with the Proposal, Agreement, or Quote is forwarded to the Purchasing Department to encumber the total amount of the agreement. A printed purchase order is then forwarded, along with a copy of the agreement, to the vendor/company.

All items over \$500 must be tagged and tracked upon receipt either by Central Receiving or Information Technology Services for inclusion in the asset database to comply with codes and regulations. All items over \$5,000 must be capitalized and depreciated to track the “useful life” and are kept on the physical inventory books until they are officially removed from the inventory as surplus or scrap.

Note: Current Education Code Regulations require the District to competitively bid all contract services in excess of \$83,400, adjusted annually in accordance with the Public Contract Code. These purchases require additional time to procure and require assistance from Purchasing.

#### XI. GRANT PURCHASES

The budget and the parameters of the Grant must be ascertained and followed. The budget must be set up prior to any purchases under the Grant. For Federal Grants for all expenditures for a supplier in an amount over \$25,000, the supplier must be checked for debarment prior to ordering. The supplier’s status must be checked and a

printout made of such status prior to the issuance of a Purchase Order. All items over \$500 must be tagged for tacking purposes under the Grant. Items over \$5,000 will be capitalized. (See Receiving and Equipment Purchases)

## XII. TRAVEL

- Travel forms must be completed prior to the travel.
- Forms are available in Purchasing
- All rules and processes are stated on the back of the document
- Must be signed by the VP. President approval required for out of state travel.
- Advances limited to those stated on Form. Flight, Lodging, Registration.
- Allow time for processing advance.
- Upon return, promptly submit receipts. Forms states within 20 days of return.
- A separate requisition can be done for just the registration especially if a group is attending and it is more convenient.

## APPENDIX

### BOARD POLICIES AND ADMINISTRATIVE REGULATIONS

The Board Policies and Administrative Regulations are available at the following link:

<http://glendale.edu/index.aspx?page=308>