

**AMARILLO COLLEGE
PURCHASING POLICIES MANUAL**

AMARILLO COLLEGE

Amarillo, Texas 79178-0001

2010 (Rev.)

Student Services Building Room 260

Hours: 8:00 AM to 5:00 PM, Monday through Friday

Summer Hours: 7:30 AM to 5:00 PM, Monday through

Thursday

7:30 AM to 12:00 PM, Friday

Updated April, 2010

AMARILLO COLLEGE
PURCHASING DEPARTMENT
P. O. BOX 447 – TELEPHONE (806) 371-5015
AMARILLO, TEXAS 79178-0001

2010

To Faculty, Administrators and Staff:

The purpose of this manual is to provide you with information about Amarillo College's policies regarding purchasing of goods and services.

We invite you to use this purchasing manual for it provides helpful information that, if properly applied, should lead to more orderly and efficient functioning of our business operations.

These procedures, as outlined, are the result of government guidelines, recommendations, experience, and information received from other similar institutions. Their purpose is to facilitate and to expedite your needs and to further the educational mission of Amarillo College.

INTRODUCTION

Amarillo College's Purchasing Department reports directly to and is under supervision of the Dean of Finance & Administrative Services.

The function is the organization and administration of purchasing for all departments of Amarillo College in accordance with responsibility and authority delegated by the Amarillo College President and Board of Regents.

The Purchasing Department is assigned definite responsibilities for assisting in negotiating and buying for all departments. The department works with many individuals within Amarillo College and with numerous vendors in supplying our requirements economically, effectively and as promptly as circumstances allow.

You can assist the Purchasing Department in simplifying and expediting orders for supplies, equipment and services by becoming familiar with Amarillo College's purchasing policies.

1. Plan for your needs.
2. Initiate requisitions well in advance of the critical date required.
3. Keep us informed of new equipment you've learned about.
4. Keep us informed on transactions which have worked out well for your department, or those that did not.

Amarillo College considers its vendors to be valuable assets, and we shall consider, and ethically deal with, all worthwhile suppliers. We want to cooperate with them, and in turn, realize benefits to Amarillo College, by paying their invoices promptly. Your cooperation is requested in this respect. It is a proven fact that cash discounts, standardization and simplification of products and procedures all result in savings to the departmental budget accounts.

This manual of purchasing policies is intended to list the general policies and many procedural practices organized to accomplish the procurement processes for Amarillo College. While it is some what detailed, it cannot cover all aspects. The occasional exceptional case will be worked out as circumstances and good business practices warrant.

The Director of Purchasing and staff will be happy to discuss with you any procurement problems this document discloses and suggestions for improvement in the manual will be appreciated.

Director of Purchasing

- **PURCHASING**

The responsibility of procurement policies and procedures has been delegated to the Purchasing Department in order that the utmost in efficiency and monetary savings can be secured for Amarillo College. To achieve this goal, the Purchasing Department has the responsibility for the following:

- a. Securing competitive bids when possible to obtain maximum value for the expenditures of college funds.
- b. Maintaining liaison with the vendors that service the college.
- c. Coordinating the procurement of goods and services for both academic and administrative departments.
- d. Developing sources of supply to assure that the college departments have an adequate number of vendors from which to obtain supplies, equipment and services.

- **AUTHORIZED PURCHASES**

The signature of the Director of Purchasing on an official purchase order is the only legal binding commitment to purchase. No individual has the authority to enter into purchase contracts or in any way obligate Amarillo College for a procurement indebtedness unless specifically authorized to do so by the President or Dean of Finance and Administrative Services. Sufficient funds will need to be available in the budget to meet the purchase obligation. **This applies to all requisitions regardless of the source of funding.**

Any other negotiations are considered as unauthorized purchases and the obligation is classified as a personal expense to the employee.

- **RECEIVING AND INTERVIEWING SALES REPRESENTATIVES**

Sales representatives should not be contacted or received except by personnel authorized to obligate the college in a purchase contract. They will, however, be referred to faculty and staff members when it appears that they possess information concerning new products or special values of interest. Sales representatives contacting other members of the college should be referred to the Purchasing Department who will arrange for visits of sales individuals to faculty and staff upon request.

- **DEMONSTRATED OR LOANED EQUIPMENT**

Amarillo College does not provide insurance on such equipment, and if it is necessary that equipment be left on the campuses, the owner of the equipment must be informed that Amarillo College does not accept responsibility for such equipment. The owner must furnish a statement in writing that he either has insurance to cover any loss or damage to the equipment or that he assumes any loss that might occur.

- **GIFTS AND GRATUITIES**

It is the policy of the Purchasing Department as well as other related personnel of Amarillo College to decline personal gifts or gratuities in connection with the purchasing function. Purchasing office staff may not accept personal gifts or gratuities from any current or potential supplier of goods or services to the College.

- **CONFLICT OF INTEREST**

Amarillo College as a general rule does not enter into purchasing contracts with students, faculty and staff, or members of their immediate families. An acquisition from a business in which an employee has an interest is **prohibited unless full disclosure of the background fact is presented in writing to the Purchasing Department**. Interest is deemed present if the employee and/or his or her spouse or children own ten percent or more of the assets of a business.

- **PLANNING & REQUISITION PREPARATION BY DEPARTMENTS**

Pre-planning

The necessity for pre-planning supply and equipment needs by using departments cannot be overemphasized. The time required to issue an order to secure delivery after the receipt of a properly prepared and approved requisition by the Purchasing Department varies according to several factors:

- Are the items simple or complex?
- Are the items expensive or of small value?
- Are there many sources of supply or only one?
- Are the items regularly stocked by dealers or must they be scheduled with the manufacturers for future delivery?
- Is the item a standard one or is it being developed, experimental, or outmoded?
- Are modifications or attachments as to speed, output, or sensitivity required even for otherwise standard equipment?
- Is the item to be used alone or as part of a system of presently on hand components or are components to be secured from the same or various sources?
- Are one or more potential suppliers available locally?

All these questions must be considered by the Purchasing Department in checking and amplifying specifications, securing quotations or prices, and negotiating delivery dates expected. Except in most complicated situations, purchase orders will be issued within twenty-four hours after receipt of a requisition. It is critical that all pertinent information is provided on the requisition. (EX: contact name, quote number, delivery information)

ALL PURCHASE ORDERS MUST BE DONE ON-LINE. ON-LINE REQUISITION TRAINING IS MANDATORY FOR ALL STAFF ENTERING REQUISITIONS. CONTACT OUR PURCHASING SPECIALIST AT (371-5015) FOR SCHEDULED DATES AND TIMES OF CLASSES. AT THAT TIME, YOU WILL RECEIVE YOUR INSTRUCTIONS NEEDED FOR THIS PROCESS.

Types of Purchase Orders

- **Blanket purchase orders**

Blanket purchase orders are issued upon submission of a requisition against an individual budget for a specific department. These orders are normally set up to be in effect over a specified period of time and are encumbered for a specific amount.

- **Long Term purchase contracts**

While most purchase contracts are on an annual basis, in some cases contracts are extended for longer periods of time.

- **Lease Purchase/Rental equipment**

Equipment and facilities are normally purchased but may be acquired through rental or lease agreements when conditions warrant. These agreements incur liability for future payment.

- **Regular Purchase order**

The encumbered procedure is handled via an on-line Colleague requisition process. This encumbrance is adjusted as invoices are processed until the order is complete and all encumbrances are exhausted. Should a purchase order be cancelled or for a lesser amount, the encumbered amount is released back to the appropriate budget and classification.

- **Pre-payment Purchase order**

Purchase orders with a check attached are issued, as required, as long as supporting evidence accompanies the requisition indicating the exact amount and to whom the check is to be made payable to. A follow-up is conducted monthly for recipients to acknowledge that items have been received, or have not been received, and follow-up phone calls, letters, or e-mails are sent to vendors advising them that the merchandise which has been paid for has not been received.

Small orders are costly to Amarillo College and even more so to vendors. Vendors are resisting the responsibility of delivering and invoicing orders when their costs become greater than even their gross mark-up on the materials sold. In certain instances, the original vendor's copy of a purchase order will be returned to the initiator of the requisition to pick up the merchandise desired.

- **Procurement Card**

Procurement Cards are good for small type purchases. Amarillo College has a JP Morgan Chase MasterCard awarded by the State of Texas. Separate procurement card guidelines are given to all card holders and made available on our AC websites. If an employee is requesting a card it "must" be approved by the appropriate cabinet member and the Dean of Finance and Administrative Services.

SPECIAL RESPONSIBILITIES OF AMARILLO COLLEGE DEPARTMENTS

To Change an Order

Change orders may be issued as requested by memo or e-mail from departments:

- To cancel an entire order
- To cancel a portion of an order
- To cancel balance of an order
- To change one or more items
- To change the vendor

These requests should be submitted to the Purchasing Department in writing by an authorized individual stating the reasons for the change and referring to the requisition number and the purchase order number and vendor.

Returns for Credit

When a vendor has shipped items as specified on a purchase order, he has complied with his part of the contract.

The return of that merchandise to the vendor may incur a restocking charge; and this charge will be assessed to the requisitioning department.

Reasons for a return include:

Damage

Duplication

Wrong Merchandise

Requests for permission to return supplies or equipment to the vendor for adjustment or credit should be handled through the Purchasing Department.

First, contact the Purchasing Department in order that a return authorization may be obtained from the vendor; then, and only then, will the merchandise be repacked with the pertinent information enclosed and returned as specified by the vendor.

Departments are responsible for having the merchandise packed and ready for shipment. This process includes having the merchandise packaged adequately, labeled with instructions to mail by parcel post, UPS, FedEx, or freight line, indicating the amount to be insured, the return authorization number assigned, address, and information such as packing lists and reasons for return are enclosed.

- **Mistakes in Shipping and Invoices**

Mistakes in shipments or invoicing should be reported promptly in writing to the Purchasing Department, stating details, and referring to the Purchase Order number and name of the vendor.

- **Pick-up Items Not Delivered by Local Vendors**

Amarillo College does not have a delivery and pick-up service. Many vendors have elected to discontinue deliveries; or to charge for a local delivery service to be made to Amarillo College and to add this charge to their invoices. Before requisitioning an item,

please check to see if your suggested vendor will deliver, or else specify that you will pick up the merchandise with the vendor's copy of the purchase order.

- **Claims and Damages**

Prompt Inspections

The department originating a requisition has primary responsibility for promptly inspecting, testing, accepting, or rejecting deliveries. The requestor will determine whether the quality and quantity are as specified on the purchase order.

The Washington Street Central Receiving Department is responsible for signing for items received, coordinating with Purchasing in order to have items delivered to the requesting department.

Because of the strict interpretation of the Interstate Commerce Commission Regulations it is necessary that all departments institute better practices in receiving to protect Amarillo College's interest.

- A written report is required to the Purchasing department giving the following information: name of carrier and copy of freight bill, order number and date, vendor to whom issued, invoice number and date, if available, and extent of damage or shortage.
- Be sure that all incoming shipments are carefully inspected at the time of delivery (do not wait several days for this inspection.)
- Make written exceptions on the carrier's freight delivery bill in cases where cartons indicate possible concealed damage.
- Prompt carrier inspection after damage is discovered must be made and containers must be saved (**retain the shipping carton**), together with packing material and the damaged article, for the carrier inspection.
 - a. Inspections must be made at the premises where the shipment was delivered. When possible, document damage to the merchandise and the container with a digital camera as well as in writing.
 - b. The container and all interior packaging materials must be available for inspection when the inspector arrives.
 - c. Normally no claims will be paid for concealed damage to merchandise which has been moved from the point of carrier delivery to any other premises, prior to discovering and/or reporting the damage.

The title passes to the Purchaser upon delivery by the vendor to the Carrier. Do not be misled into signing Inspection Reports when the Trucker's Representative Claims "faulty packaging" (this is usually a matter between the Trucker and the Shipper.)

- **SELECTION OF VENDORS**

Vendors are selected for their capability to serve the needs of the college in the most economical and efficient manner possible. Past performance and cooperation are important factors. Requisitioning departments are encouraged to suggest sources of supply; however, final selection of vendor shall be left to the Purchasing Department. No commitments, expressed or implied, should be made by the departments.

- **COMPETITIVE BID PROCESS**

The competitive bid process is covered in the following documents:

Texas Education Code
Local Government Code
Vernon's Civil Statutes

Categories of Procurement

Amarillo College is required to make all purchases within the laws and guidelines established by the State of Texas as well as guidelines the College has initiated.

All items under \$10,000 in the **aggregate by law do not have to be bid.**

All items over \$10,000 in the aggregate must be acquired through the competitive purchase process. Written quotes are required for these types of purchases.

The Texas Education Code states that all contracts, except contracts for the purchase of produce or vehicle fuel, valued at \$50,000 or more for each 12-month period are to be made by the method or methods that provide best value to the district.

Competitive bidding can be one of the most complex procurement methods used by districts due to the detailed management necessary and the legal and procedural constraints that govern it. Certain processes are essential if competitive bidding is to work effectively in the district.

We are required to get informal quotes for orders totaling \$1,000 to \$10,000.00.

- **REQUIREMENT PLANNING**

A district needs to plan for major purchases to be made during a fiscal year. This includes identifying the products or services and when they are needed. The award of the bid will insure timely delivery so that operations are not disrupted.

Aggregate Purchase

Common purchases needed by the College District (Example: office supplies)

An individual may not make split, separate, sequential or component purchases, to avoid the bid process.

Sequential Purchases

The time for which sequential purchases of \$50,000 or more in the aggregate must be combined for requesting bids is not well defined. Depending on the individual circumstances and the type of property being purchased, the district's best interest may be better served by requesting bids for a quantity of items sufficient for a few months or an entire year (this also applies to construction, repair, or renovation work.) The Texas Attorney General's office has taken a conservative position that, if purchases will be, or are reasonably anticipated being, \$50,000 or more during the entire year, then the district is to request competitive bids.

Component Purchase

If the competitive bidding law applies to the aggregate purchase, districts may not circumvent the bidding law by purchasing under separate purchase orders related items (component parts) that cannot serve in and of themselves the purpose and function for which the purchase is being made.

Cost Limitations

Items less than \$10,000 might not be subject to the bid process. **The determining factor is the aggregate dollar amount expended for the entire College.**

Procedures for purchases \$10,000 and up to \$50,000

The department must seek approval from department head to begin the process.

Employees must prepare written, detailed specification to include the quantity required and the approximate date the products are required. Specifications may include brand names as a reference only. A complete **non-biased specification is required**. If a description is not available, one may be produced utilizing brochures from several companies. Industry standards should be used whenever possible. Any relevant prints, diagrams and/or samples should be provided to all potential vendors.

Any vendors participating in the actual writing of the specifications may not participate in the bid process.

The department will need to submit the specifications to at least three vendors as described by law. **This process must be used each time the item is required.**

Three written bids will be attached to the purchase requisition and will be retained with the Purchase order. A Purchase order will be issued by purchasing and either mailed or faxed to the vendor. The vendor should not be called with the order after the Purchase order has been mailed or faxed. This could result in a duplicate shipment. The department may not contact the vendor to indicate the purchase will be made and that a Purchase order is forthcoming. The Purchase order has sole authority to obligate College funds.

For purchases \$25,000-\$50,000 are informally reported to the Board of Regents monthly.

Procedures for aggregate \$50,000 and over

REQUIRES BOARD APPROVAL PRIOR TO AWARD OF THE CONTRACT; IT DOES NOT MATTER FROM WHAT FUNDING SOURCE.

Only identified commodities that have potential aggregate of \$50,000 or more will require an advertised bid. This process may take approximately six to eight weeks to obtain the approval to purchase.

Procedures for the advertised bid process:

The department must seek approval from the appropriate Cabinet member to begin the process.

The department will submit a written request to the Purchasing Department to have the bid advertised. This request will include a list of required items, the required delivery date and a list of potential vendors to include the contact names, address, phone number, fax number and e-mail address if available.

The Purchasing Department will provide assistance in writing the specifications or the department “must” prepare written detailed specifications. Specifications must include the quantity required, and may include brand names as a reference only. **A complete non-biased specification is required.** If a description is not available, one may be produced utilizing brochures from several companies. Industry standards should be used whenever possible. Any relevant prints, diagrams and or/samples should be provided to all potential vendors. The specifications will state that vendors wanting to participate in the process may pick up detailed bid specifications from the Purchasing Department.

Any vendors participating in the actual writing of the specifications may not participate in the bid process.

The department must plan purchases and submit bid requests to allow for the time involved in the advertised bid process. The bid will be advertised in the local newspaper for two weeks. Ten days later after the last advertisement date the bids will be opened.

Specifications are distributed to potential vendors the same day as the first advertisement appears in the newspaper. Vendors will not have any prior knowledge concerning the items desired or the detailed specifications. Vendors given prior knowledge could place the College in serious jeopardy. The College may lose its credibility with the vendor community and bidders could initiate a complaint with the Attorney General of the State of Texas should they feel they have been treated unfairly.

After the specifications are distributed, vendors may have questions. Purchasing needs copies of all questions and answers for the bid files. The vendor should be instructed to submit their questions in writing to the Director of Purchasing. The Director of Purchasing will seek an answer to all potential vendors. The College will not be held accountable for any verbal information given to vendors.

All bid openings are open to the public. Once the bids have been opened, a tabulation sheet will be prepared.

- In determining whom to award a contract, the district MUST consider:
- the purchase price
- the reputation of the vendor and of the vendor's goods or services
- the quality of the vendor's goods or services
- the extent to which the goods or services meet the districts needs
- the vendors past relationship with the district
- the impact on the ability of the district to comply with laws and rules relating to historically underutilized businesses
- the long-term cost to the district to acquire the vendor's goods and services; and
- any other relevant factor that a private business entity would consider in selecting a vendor. *Reference Texas Education Code, SEC 44.031 (b)*

After reviewing the bids, the department will return a written recommendation to the Purchasing Department. A formal bid recommendation will be prepared and forwarded to the Dean of Finance and Administrative Services to be placed on the board agenda. The Board of Regents will approve at its next Board of Regents meeting.

An on-line Colleague requisition will be created by the requesting department and purchasing will create a purchase order. The purchase order will be faxed or mailed to the vendor. The department should not contact the vendor and indicate the purchase will be made and that a purchase order is forthcoming. The Purchase order has sole authority to obligate College funds.

Request for Qualifications (RFQ) “most highly qualified”

A request for qualifications (RFQ) is a solicitation that seeks a supplier/vendor based on qualifications that meet overall criteria specifications for the particular project.

RFQ IS USED FOR PROFESSIONAL SERVICES ONLY

An RFQ may be solicited in a two tier format.

Step 1 Qualification process

Step 2 Submittal of cost/pricing information by the most highly qualified vendor

Development of specifications: Specifications and qualifying criteria shall be developed by the requesting department. Purchasing Director will review the information and add/or delete information, as required, with input from the requestor.

The following RFQ documents are required:

- a. invitation to respondents
- b. specifications
- c. evaluation criteria
- d. supplier/vendor list

Note:

1. Request for Qualifications is a negotiated method of procurement.
2. It is a Qualifications-based selection process.
3. Price is not an evaluation factor.
4. After selecting the most qualified firm, price negotiations and reasonable price with the top ranked firm only. If unable to negotiate a fair and reasonable price with the top ranked firm, negotiations are terminated and price negotiations begins with the next ranked firm. Process continues until fair and reasonable price is negotiated or the list is exhausted.

State Contracts and Cooperative Purchasing Agreements

The college may purchase items from State of Texas Contracts, such as Term Contracts, Department of Information Resources (DIR) Contracts, and Texas Multiple Award Contracts (TXMAS), **with out bidding**.

Term Contracts:

The College may purchase items from a Term Contract through the State of Texas Comptroller.

State Contracts for Automated Information Systems (IT) Products and Services:

State contracts for products and services such as computer hardware, software, printers and related services from the Department of Information Resources (DIR)

State of Texas Multiple Award Contracts (TXMAS):

The college may purchase items from a TXMAS contract.

Cooperative Purchasing Agreement:

Amarillo College participates in the following cooperative purchasing agreements which can be used with out competitive bidding. Contact the Purchasing Department for more information.

Texas Cooperative Purchasing Network (TCPN)
Houston-Galveston Area Council of Government (HGAC)
U.S. Communities Government Purchasing Alliance
Texas Association of School Boards (TASB) Buy Board
Inter-local contracts
Provista, LLC

Sole Source Procedures

Sole Source or (Vendor Proprietary); this term identifies purchases of materials or services that are available from only one source.

If an item is “Sole Source or Vendor Proprietary.” A memo of explanation to that effect must be sent to Purchasing stating specifically:

- Why an item is “Sole Source.”
- The explanation must be made a part of the Requisition so it can become part of the Purchase order. It can be put in the non-printed comments or a memo can be attached to the requisition. In most cases, the Vendor can generate a letter stating that this item is a “Sole Source.”

This situation can occur when purchasing materials or services that are related to but are not limited to:

- (A) an item for which competitive bidding is precluded because of existence of a patent, copyright, secret process, or monopoly;
- (B) a film, manuscript, or book;
- (C) a utility service, including electricity, gas or water; and
- (D) A captive replacement part or component for equipment.

The exceptions provided by this subsection shall not apply to mainframe data-processing equipment and peripheral attachments with a single-item purchase price in excess of \$15,000.

Emergency Purchase orders

If a College building or College equipment is destroyed or severely damaged, and the Board of Regents determines that the time delay posed by competitive bidding would prevent or substantially impair the conduct of classes, or other essential College activities, contracts for the replacement or repair of such building or equipment may be made without resort to competitive bidding. Texas Education Code 44.031 section (h)

Emergency purchases may be made when necessary for the continuing operation and security of the Physical Plant, but the Board of Regents should be informed of the expenditure at the next regular meeting.

A committee of the Board – any three members of the Board – is authorized to approve bids over \$25,000 between meetings of the Board when extraordinary circumstances would make it advantageous to proceed with the purchase without delay. Bids approved under this policy should be reported to the Board at the next Board meeting.

Award of a Bid or Contract

A bid that has been opened may not be changed for the purpose of correcting an error in the bid price. Local Government Code 271.027

The Board of Regents shall have the right to reject any and all bids. Contracts for construction, repair or renovation of a structure, road, or an improvement or addition to real property shall be awarded to the lowest responsible bidder unless, prior to the award, each lower bidder is given notice of the proposed award and is given the opportunity to appear before the Board of Regents or a designated representative and present evidence concerning the bidder's responsibility. Local Government Code 271.026

Professional Services

Competitive bids are not required for the professional services of architects, fiscal agents or attorneys. Texas Education Code 44.031 section (f)

Construction

\$15,000 OR MORE when the contract for the construction, maintenance, or renovation of a building, or for materials used in such construction, maintenance, repair, or renovation involves \$15,000 or more, the Board shall advertise and award bids as provided below. Local Government Code, Section 271

NOTICE: The advertisement shall include a notice that describes the work, states where the bidding documents, plans, and specifications, or other data may be examined by all bidders, and states the time and place that bids will be opened. Local Government Code 271

PUBLICATION the notice shall be published as provided for other required competitive bidding. Education Code 44.031

ADDITIONAL NOTICE In addition, the Board shall mail the notice described above to any organization that requests in advance that notices for bids be sent to it, agrees in writing to pay the actual cost of mailing the notice, and certifies that it circulates notices for bids to the construction trade in general. The additional notice shall be mailed not later than the date on which the first required notice is published in a newspaper.

AWARD OF BID the Board shall have the right to reject any and all bids. Contracts shall be awarded to the lowest responsible bidder, but a contract may not be awarded to a bidder who is not the lowest bidder unless prior to the award each lower bidder is given notice of the proposed award and is given an opportunity to appear before the Dean of Finance & Administrative Services and present evidence concerning the bidder's responsibility.

RESIDENCY REQUIREMENT

The College may not award a contract for general construction, improvements, services, or public works projects or purchases of supplies, materials, or equipment to a nonresident bidder unless the nonresident's bid is lower than the lowest bid submitted by a responsible Texas resident bidder by the same amount that a Texas resident bidder would be required to underbid a nonresident bidder to obtain a comparable contract in the state in which the nonresident's principal place of business is located.

EXCEPTION this policy does not apply to a contract involving federal funds.

NONRESIDENT "Nonresident bidder" means a bidder whose principal place of business is not in this state, but excludes a contractor whose ultimate parent company or majority owner has its principal place of business in this state.

TEXAS RESIDENT BIDDER "Texas resident bidder" means a bidder whose principal place of business is in this state, and includes a contractor whose ultimate parent company or majority owner has its principal place of business in this state. Art. 2368A.3.V.A.T.S.

OTHER BIDS some bids are governed by specific code provisions of Art. 5421c-12.V.A.T.S.

BIDDING CONTRACTS (See C.3.1.1. – Bidding Insurance Contracts.) GROUP INSURANCE

Right to Reject

The Board reserves the right to reject any and all bids and to accept the bid that appears to be in the best interests of the College.

Sale of Property

Dean of Finance & Administrative Services is authorized to dispose of obsolete furniture and equipment of the College through a public auction sale. Specialized items which would not be of interest to the general public may be handled on an individual basis by negotiating with a select group of buyers.

Withdrawal of a bid

Any bid may be withdrawn prior to the scheduled time.

Late Bids

Any bid that is received after the time specified shall not be considered. Bids may not be withdrawn after opening unless approved by the Board.

Bid Bonds

Bid bonds on construction type projects are required as a protection to the College in the amount of 5% for Bid Bonds, 100% for Payment Bonds and 100% for Performance Bonds, for \$25,000 or more.

Service

Specialized business machines such as calculators, copy machines, composers, computers, or even elevators, may be dealt directly with the service company holding the contract or from who purchased. Where additional expense may be incurred for maintenance or repair of equipment not covered by a service contract, a requisition is required to cover the additional costs of repairs or parts.

Proprietary Items

In cases where the propriety of items on a requisition appears to be doubtful, the Purchasing Department has the responsibility of securing additional information and

transmitting such requisitions, with amplifying information to the President, or to his representatives for approval.

BUDGETARY CONTROL & ACCOUNTING REQUIREMENTS

Authority to submit a requisition

Only that person or persons having authority for a particular budget account or his designated representative is authorized to issue requisitions for equipment or supplies. Although departments are allocated funds in their budgets for a given fiscal year, this allocation is only an authority to requisition, not to purchase. Each department will have a chain of command established for the approval process. All approvals must be made through the Business office and approval from ITS when applicable.

Over expenditures prohibited

No requisition shall be allowed to overdraft a budgetary account except by written approval, after a request has been made to transfer funds on the proper form. It is the responsibility of the requisitioner to know that funds are available in a designated account before a request for purchase is made.

Payments

The responsibility for approving invoices for payment lies with the using department by signing and dating each receiving copy and/or invoice.

Upon receipt of an invoice, Purchasing Department records the amount on the receiving copy of the purchase order and forwards it, and/or the invoice, to the departments receiving the merchandise, requesting a signature to indicate it is all right to process the invoice for payment. Receiving copies, packing slips, invoices received should be returned or sent to the Purchasing Department promptly. In cases of partial shipments and payments, a telephone call and/or a signed form authorizing a partial payment is requested. Amarillo College does not hold invoices for complete deliveries and payment. Any individual planning to be away from campus for an extended period of time should make arrangements for another to approve invoices and/or receiving copies.

If a department feels vendor has not met the terms and conditions of the purchase order, and that payment should not be made, the department is to notify the Purchasing Department immediately in writing of the details.

Effective dates for budget

Regular budgets of Amarillo College and grant/contract budgets are handled on a fund accounting basis. No expenditures can be made, nor should requisitions be submitted, until the effective date of the particular budget. (September 1st of each year for regular budgets and effective date of the particular grant or contract for sponsored programs.)

Account numbers required

All requisitions must have the complete account number specified with the appropriate object code. If in doubt, contact the Disbursement/Payable Supervisor in the Business Office. Changes or questions about these account numbers should be made in writing to this person.

Amounts

An estimate or actual amount is required on all requisitions. This will aid in determining whether to send an unpriced order, request a quotation, prepare for bidding, check for availability of funds and encumbering.

- **PURCHASES PROHIBITED BY AMARILLO COLEGE POLICY**

Items not purchased

College policy does not permit the purchase of such items as lamps, pen sets, briefcases, flower vases, desk pads, painting, graphics or other such appointments. These and such other items are not provided by Amarillo College funds, but are considered personal items.

College letterhead

Amarillo College letterhead should not be used for ordering personal items to be paid for by individuals. When letterheads are used the vendor will invoice Amarillo College rather than the individual with resulting time consuming and expensive correspondence.

Personal

Because of the tax exempt status of the College, the Purchasing Department cannot issue purchase orders for personal purchases, nor does it become involved in personal

purchasing negotiations. Purchasing will be happy to suggest possible sources that may offer a discount.

Amarillo College is a political sub-division of the State of Texas with an assigned tax exempt number. Therefore, we do not encourage individuals to purchase even small petty cash purchases unless they first obtain from the Business office or purchasing the tax exempt number.

SPECIAL PROCUREMENT POLICIES

Letterhead and envelopes

College letterheads and printed envelopes have been standardized so as to consistently represent the College.

Rubber stamps/daters

In ordering rubber stamps, copy showing the exact wording, spacing, and lettering should be furnished.

Business cards

A standardized business card is available by request via the College Relations Department.

Use of College vehicles

Contact the Physical Plant Department for policy and procedures.

Keys

Keys may be obtained from the Physical Plant Office by submitting an authorized/signed material requisition form. Keys are charged to Department budgets.

• PROTEST PROCEDURES

Any supplier of materials or services that participates in the Amarillo College's bid procedures has the right to protest. Protests might concern, but are not limited to, topics such as unfair treatment, restrictive specifications, and an award of bids, deliveries or payments. These protests should be made directly to the Purchasing Director and will be accepted in writing. The Purchasing Director will then investigate all facts concerning the protest. The fact-finding process, in most cases, will involve the Division Director

and Department Head who initially requested this material or service. The Purchasing Director will then respond to the protesting party with his findings and decision.

If the Purchasing Director's decision is not satisfactory to the protesting party; the protesting party can then contact the Dean of Finance and Administrative Services. The Dean of Finance and Administrative Services will review the protest and confer with the Purchasing Director and the appropriate division director involved. The Dean of Finance and Administrative Services will then render his decision to the protesting party.

If the Dean of Finance and Administrative Services decision is not satisfactory to the protesting party, the protesting party can then contact the President or any member of the Board of Regents. This request must be in writing. The Board of Regents will then review the protest and confer with the Dean of Finance and Administrative Services before making the decision on the protest. The decision rendered by the Board of Regents will be final.

