

BLINN COLLEGE ADMINISTRATIVE REGULATIONS MANUAL

SUBJECT: *Purchasing*

EFFECTIVE DATE: July 10, 2001; amended, July 12, 2011; October 11, 2011; November 15, 2011; April 10, 2012; September 11, 2013; July 9, 2014; August 25, 2015; October 26, 2016; March 20, 2017, and September 24, 2019

BOARD POLICY REFERENCE: CF

PURPOSE

The Chancellor designates the Purchasing and Transportation Department as the purchasing authority for the College District. Purchases not authorized in accordance with Board Policies and the Administrative Regulations are not legal obligations of the College District. Employees shall make no purchases on behalf of the College District without determining whether sufficient funds are available.

This purchasing regulation applies to all purchases with the possible exception of grant contract funding sources. Employees shall follow the College District's purchasing policies and regulations when making purchases from special grant funds unless the governing document specifies alternate procedures.

Circumstances may arise that justify a departure from the normal competitive process. The Chancellor or designee must approve such departures from this procedure in advance.

The Vice Chancellor, Business and Finance/CFO or designee shall develop and implement guidelines for compliance with this procedure.

OVERVIEW

All College District employees engaged in purchasing processes are to conduct themselves fairly, objectively, and will observe the confidentiality of the decision-making and award processes so as to serve the best interests of the College District.

FORMS OF PURCHASE

The College District utilizes five forms of purchasing: check requests, approved credit card transactions (Procurement Cards), travel cards, petty cash disbursements, and purchase orders.

- a. Check Requests (limited use, mostly A/P) – for requesting payment for goods and services when a purchase order is not appropriate, or the transaction requires a direct payment. Employees may use check requests for purchases under \$1,500 with prior approval by the responsible Budget Manager. The Director of Purchasing and Transportation shall manage specific procedures concerning the use of check requests, with subsequent approval by the Vice Chancellor, Business and Finance/CFO or designee.
- b. Designated employees may use College District Procurement Cards (P-Cards) for purchases under \$1,500 per transaction as approved by the responsible Budget Manager, Departmental Dean, Director or appropriate Vice Chancellor. All P-Card purchases are subject to strict user guidelines and reconciled by the Purchasing Department. [See Procurement Card Procedures.](#)
- c. Employees may use College District travel cards for lodging, car rental, and parking expenses that an employee incurs while traveling for College District business. The appropriate administrator must

- approve travel in advance before the College District issues a travel. The Purchasing and Transportation Department issues and reconciles all travel cards. See [Travel Card Procedures](#).
- d. The Petty Cash Fund is set up to fund “out of pocket” expenditures by College District employees. The appropriate supervisor must approve in advance any petty cash fund use and no petty cash expenditure may exceed \$75. Employees must document each petty cash expenditure with a receipt appropriate to the purchase.
 - e. Employees shall make all other purchases by Requisition/Purchase Order. The Purchasing and Transportation Department shall manage all purchase order forms.

ETHICAL CONSIDERATIONS

Employees

Purchases from members of an employee’s family or from a company in which an employee or his/her family member owns a substantial interest shall comply with Board Policies [BBFA\(LEGAL\)](#), [BBFA\(LOCAL\)](#), [DBD\(LEGAL\)](#), and [DBD\(LOCAL\)](#), which are the College District’s policies on conflicts of interest. For purposes of this procedure, a family member means a spouse, child, parent, or the child or parent of a spouse [see [Board Policy DBE\(LEGAL\) and DBE\(LOCAL\)](#)].

Vendors

The Texas Ethics Commission has adopted a conflict of interest policy that requires a vendor to disclose the vendor’s affiliations or business relationships with members of the Board of Trustees or College District employees that may cause a potential conflict of interest. The College District adheres to this policy.

The Texas Comptroller of Public Accounts maintains a Debarred Vendor List to protect the State from vendors with unethical business practices. The College District will not conduct business with any vendor on the State Debarred Vendor List. If subsequently discovered that a College District vendor is on the State Debarred Vendor List, College District will take necessary action to discontinue use and end business relations with the vendor. Information relating to the State Debarred Vendor List is available at <http://www.window.state.tx.us>.

CONTRACT AUTHORITY

No employee or agent of the College District has the authority to enter into any contract on behalf of the College District, except as otherwise expressly authorized in Board Policy. An agreement that is not expressed in writing and approved and executed in accordance with Board Policy is not binding or enforceable against the College District. If a College District employee signs a contract without authority, or falsely represents to a third party that he or she has authority to sign a contract on behalf of the College District, the employee may be liable personally to the third party under Texas law.

Any employee who signs a contract or who seeks to bind the College District to an agreement in violation of this procedure may be subject to discipline, up to and including termination.

REQUISITION APPROVAL

Excluding P-Card purchases, the appropriate Budget Manager or his/her designee must approve in advance each requisition for purchase and must verify that funds are available in the appropriate budget. Employees must submit a requisition in order to receive a properly executed purchase order from the Purchasing and Transportation Department.

PURCHASING GOODS AND SERVICES

Purchasing Authority

The College District shall comply with Texas Education Code § 44.031 in establishing open and fair purchasing and bidding practices that provide the best value to the College District.

The Chancellor or designee may delegate authority to approve purchases to Vice Chancellors, Directors, Managers, and other employees.

Procedure Applicability

This procedure applies to the purchase of tangible personal property or services except as follows:

- a. Purchases of construction-related services;
- b. Purchases of real property; or
- c. Purchases of professional services.

Administrative Requirements

Unless otherwise covered by the sections above or required by law to meet other requirements, all purchases of goods or services made on behalf of the College District, regardless of funding source, shall meet the administrative requirements below.

College District employees shall purchase equipment, supplies, materials, and services based upon a competitive process, except as otherwise provided in this procedure. Employees may not subdivide purchases to avoid the competitive requirements of this procedure.

Purchases Valued Below \$1,500

Purchases of goods or services less than \$1,500 in value do not require competitive quotes. Employees may purchase goods and services valued at less than \$1,500 using a College District procurement card ([see Procurement Card Procedures](#)), thereby eliminating the need for a purchase order requisition.

Purchases Valued Between \$1,500 and \$9,999

Purchases of goods or services valued between \$1,500 and \$9,999 do not require competitive quotes. Employees shall coordinate all such purchases within the requesting department and with the Purchasing and Transportation Department. Employees making purchases on the College District's behalf should follow all College District policies and procedures.

Purchases Valued Between \$10,000 and \$24,999

Employees shall coordinate purchases of goods or services valued between \$10,000 and \$24,999 within the requesting department and the Director of Purchasing and Transportation. Employees shall make these purchases by requesting written quotes from at least two (2) vendors capable of providing the required good or service. Written quotes shall accompany requisitions for purchases. Employees may utilize an Interlocal Cooperative Agreement for these purchases.

Purchases Valued Between \$25,000 and \$49,999

Employees shall coordinate purchases of goods or services valued between \$25,000 and \$49,999 within the requesting department and the Director of Purchasing and Transportation. Employees shall make these purchases by requesting written quotes from at least three (3) vendors capable of providing the needed good or service.

Written quotes shall accompany requisitions for purchases. Employees may utilize an Interlocal Cooperative Agreement for these purchases.

Purchases Valued At or Over \$50,000

Employees shall coordinate any purchase of goods or services valued at \$50,000 or more through the Director of Purchasing and Transportation. These purchases shall follow a formal process that includes:

- a. Pre-qualification and selection of suppliers;
- b. Standards and specifications;
- c. Advertisement of a request for sealed bids/proposals;
- d. Submission of bids/proposals;
- e. public opening of bids/proposals;
- f. Award of purchase orders and contracts;
- g. Catalog purchases via the Texas Education Agency under Texas Government Code, Chapter 2157, Subchapter B; and/or
- h. Use of an interlocal agreement.

Requisition Approval Levels

All purchase requisitions must have at least two signatures, including those of the requestor and the responsible Budget Manager. The College District may require additional approval depending on the amount and/or type of goods or services requested.

Requisition Approval Levels

Level	Amount of Request	Required Signatures
I	Less than \$5,000	* Requestor
		* Responsible Budget Manager
		* Dean/Director
II	\$5,000 – \$9,999	* Requestor
		* Responsible Budget Manager
		* Dean/Director
		* Vice Chancellor (in Requestor’s chain of command)
III	\$10,000 – \$24,999	* Requestor
		* Responsible Budget Manager
		* Dean/Director
		* Vice Chancellor (in Requestor’s chain of command)

		* Vice Chancellor/CFO
IV	Greater than \$25,000	* Requestor
		* Responsible Budget Manager
		* Dean/Director
		* Vice Chancellor (in Requestor's chain of command)
		* Vice Chancellor/CFO
		* Chancellor

Board of Trustees Approval

The Administration must submit any unbudgeted purchases to the Board of Trustees for approval and must comply with Texas Education Code § 44.031.

Emergency and Sole Source Purchases

At times, it may not be in the College District's best interest to engage in a formal competitive process. Purchases necessary to respond to emergencies (situations that jeopardize public or employee safety, or that could result in significant financial or operational loss), and instances in which staff determine that only one supplier can provide the product or service (*e.g.*, the product or service is protected by patent, copyright, or trademark; or due to scheduling conflicts, etc., only one supplier can provide the product or service within the College District's timeframe) do not require a formal competitive process. Employees requesting an emergency or sole source purchase must provide written justification for the request. Employees may not make such purchases without prior written approval from the Director of Purchasing and Transportation or the Responsible Budget Manager and/or Department Director.

Interlocal/Cooperative Purchase Agreements

The College District may enter into an interlocal/cooperative purchase agreement for goods or services. Once the Chancellor or designee approves an interlocal/cooperative purchase agreement, employees may purchase goods or services through the agreement after a market survey determines that the best value for the College District is through the agreement.

VENDOR SELECTION CRITERIA

In awarding a contract, the College District may consider any or all of the following:

- a. Purchase price;
- b. The reputation of the vendor and of the vendor's goods or services (*see* **ETHICAL CONSIDERATIONS**);
- c. The quality of the vendor's goods or services;
- d. The extent to which the goods or services meet the College District's needs;
- e. The vendor's past relationship with the College District;

- f. The impact on the ability of the College District to comply with laws relating to historically underutilized businesses;
- g. The total long-term cost to the College District to acquire the goods or services; and
- h. Any other relevant factor that a business entity would consider in selecting a vendor.

BIDDING REQUIREMENTS

All bidding practices shall comply with state law. The College District will establish practices to identify when to require bids and when the Purchasing and Transportation Department will utilize other methods for obtaining needed goods and services.

The Purchasing and Transportation Department shall properly publicize bid openings and invite candidates who submit bids to attend the bid opening. The Purchasing and Transportation Department shall maintain a file of all bids in compliance with the applicable state record retention period and shall comply with the Public Information Act regarding such file.

The Administration reserves the right to reject any and all bids.

The College District may hold pre-bid conferences and may, upon proper notice, make the attendance at such a conference mandatory. The College District will not open or consider any bid submitted by any vendor who did not attend a mandatory pre-bid conference.

SURETY BONDS, PAYMENT BONDS, AND PERFORMANCE BONDS

The College District may, at the discretion of the Vice Chancellor, Business and Finance/CFO, require surety, payment, and performance Bonds.

The Administration will return submitted surety bonds to all bidders, except the successful bidder, at the time the College District makes the award. The College District will retain the successful bidder's surety bond until the vendor delivers the merchandise to the College District and an authorized College District representative inspects the merchandise for quality and any other bid requirements.

The College District may require a payment bond for any contract over \$25,000.

PERSONAL PURCHASES

College District employees shall not purchase supplies or equipment for personal use through the College District or through special discounts and arrangements made between the College District and its qualified vendors.

BUSINESS MEAL PURCHASES

Business meals must include at least one non-Blinn employee whose presence is necessary to the College District-related discussion. In addition, employees must provide a receipt and documentation that includes the time, date, place, attendees, and a clear and defined business purpose.

With prior written approval of the appropriate budget manager, employees may hold occasional work group events that require a short or working meal. If possible, employees should utilize the on campus food service group to cater such meetings. If on campus food service is not available, employees should limit the cost to a reasonable amount per person.

Employees may not purchase alcohol with College District funds.

This regulation applies to non-travel business-related meals. For information regarding reimbursement of employee meals while traveling, please see [Travel Procedures](#).

PETTY CASH PURCHASES

Petty Cash Funds are intended to handle small, “out of pocket” expenditures by the employees of the College District. Each Petty Cash Fund must have a custodian of record who is responsible and accountable for managing the fund. The Administrative Business Officer or designee, other than the fund’s custodian, shall perform regular petty cash audits as part of routine oversight of business procedures.

No single petty cash transaction shall exceed \$75. Employees may not subdivide purchases to avoid the \$75 limit.