



## **NO. 3004 PURCHASING POLICY**

### **1.0 INTRODUCTION & SCOPE**

The Oklahoma City Community College (OCCC) Purchasing Department procures needed materials, equipment and services on a timely and economical basis within accepted standards of quality in the best interests of OCCC. This document establishes the policy to facilitate OCCC procurement through the Purchasing Department applicable to all OCCC departments.

OCCC is exempt from the provisions of the Oklahoma Central Purchasing Act, 74 O.S. § 85.3a, except as may be otherwise provided by law. OCCC's Purchasing Policy complies with the applicable requirements of the Oklahoma State Regents for Higher Education (OSRHE) as contained in the Policies and Procedures Manual, § 4.12.

Scope: This policy applies to all OCCC purchases, except for the following:

- 1.1 In addition to Policy 3004, purchases made with federal grant funding must also adhere to Policies 3036 and 3038.
- 1.2 Public construction contracts subject to the Public Competitive Bidding Act of 1974.
- 1.3 Travel. See Policy 3003.

### **2.0 PURCHASING OBJECTIVES**

- 2.1 The prime objective of the Purchasing Department is to procure all necessary supplies, materials, equipment, and services required by the various departments of OCCC from reliable sources, within the required delivery time and at the desired value to OCCC. All decisions concerning the management of OCCC assets will be based solely on the best interest of OCCC.
- 2.2 The Purchasing Department's other objectives are to:
  - 2.2.1 Ensure the supply cycle is accomplished in the most efficient manner.
  - 2.2.2 Make the most cost effective use of public funds.
  - 2.2.3 Establish consistent purchasing practices and procedures.
  - 2.2.4 Assist in establishing requirements for items and develop standard specifications.
  - 2.2.5 Avoid waste, duplication, and obsolescence of materials.
  - 2.2.6 Promote and conserve good vendor relations.
  - 2.2.7 Conserve time for other departments by relieving them of time-consuming negotiations.
  - 2.2.8 Explore new and better sources of supply, processes and ideas which will better serve the needs of all OCCC departments.
  - 2.2.9 Encourage maximum competition on the basis of fair and equal opportunities to qualified businesses interested in selling to OCCC.
  - 2.2.10 Establish, enforce and update, as required, the purchasing procedures for the benefit of all departments.

### 3.0 MAKING A PURCHASE

- 3.1 A requisition must be entered in Colleague to initiate the acquisition process. The process ends when the Purchasing Department issues and approves the purchase order. The purchase order will be provided to the requestor and/or vendor. This includes purchases paid with the PCard, vendor invoice, online orders, registrations, advertising, or any other required purchase.
- 3.2 Any purchase that requires a contract must be executed by the vendor and OCCC. The contract is then submitted to the Purchasing Department for issuance of a purchase order. The purchase order will be provided to the requestor and/or vendor. The Purchasing Department recommends that vendors sign all contracts before OCCC executes.
- 3.3 The procedures for requisition completion are provided on the OCCC Purchasing website at [www.occc.edu/purchasing](http://www.occc.edu/purchasing). If training is required, contact the Purchasing Department to schedule.
- 3.4 Reimbursements to Employees
  - 3.4.1 The requisitioning department must prepare a requisition before making any expenditure to be paid for by employee reimbursement so that funds may be encumbered and the expenditure approved before any commitment is made.
- 3.5 Printing Services  
Requisitions for services of an outside printer must be approved by the Executive Director of Marketing and Public Relations.
- 3.6 Acquisition of IT Hardware, Software, Services, Computers, and Computer Equipment  
In addition to Policy 3004, acquisitions of IT hardware, software and services must adhere to Policy 9003. Requisitions for computer and computer related equipment exceeding \$500.00 must be approved by the Vice President for Information Technology Services in addition to the requisitioning department head. Requisitions for all software purchases must be approved by the Vice President for Information Technology Services in addition to the department head.

### 4.0 OCCC PURCHASING THRESHOLDS

The following purchasing processes and award standards shall be used based on the applicable acquisition amount. The Purchasing Department shall assist departments in choosing the appropriate processes and award standards:

Acquisition Amount	Process	Award Standard
Not exceeding \$5,000.00 (\$0.00 - \$5,000.00)	Market Purchase	Fair and Reasonable
Over \$5,000.00 and not exceeding \$50,000.00 (\$5,000.01 - \$50,000.00)	Informal–Solicit Three Vendor Quotes	Lowest and Best or Best Value
Over \$50,000.00 (\$50,000.01 and up)	Formal–Competitive Bid <ul style="list-style-type: none"> <li>• Invitation to Bid (ITB) <i>If exact specifications are known, e.g., commodities</i></li> <li>• Request for Proposal (RFP) <i>Goal or end result is provided, but exact specifications are not known or are to be developed in the vendor proposal</i></li> </ul>	Lowest and Best or Best Value

4.1 Award Criteria Definitions

4.1.1 Best Value – Includes, but is not limited to evaluation of: a) operational cost; b) quality or technical competency; c) reliability of delivery and implementation; d) facilitation of data transfer and systems integration; e) any warranties, guarantees, or return policies; f) bidder financial stability; g) consistency with OCCC strategic planning; h) experience and past successful performance; i) user group acceptance; and j) proven methodology leading to quality results.

4.1.2 Lowest and Best – Includes, but is not limited to evaluation of a) lowest total purchase price; b) quality and reliability; and c) consistency with OCCC strategic planning.

4.1.3 The value of a purchase equals the cost of an individual item or the cost of a bulk purchase of similar items from a vendor or multiple items that are part of one similar project. Regarding services, the value of a purchase for services equals the cost of services to complete a discrete assigned project or the cost to complete a series of similar assigned projects within the scope of services offered by the provider.

4.2 Purchases Exempt from Competition

4.2.1 State or Federal contracts

4.2.2 Purchasing Consortiums

4.2.3 Existing contracts by public colleges or universities in Oklahoma

4.2.4 Emergency purchases. See section 5.4.

4.2.5 Memberships and subscriptions

4.2.6 Professional Services. “Professional services” is defined as services which are predominantly mental or intellectual in character, rather than physical or manual and which do not involve the supplying of products. Professional

services require special, usually advanced education and skills such as architectural, engineering, legal or consulting services.

- 4.2.7 Sole Source Purchases. A “sole source purchase” is a contract for a particular service or item which, by the specifications for the item or qualifications needed by an agency, restricts the bidders to one person to one business entity, or to one brand name. If a sole source purchase is necessary, a Sole Source Certificate must be submitted with the requisition in lieu of competitive bids. The Sole Source Certificate must include an explanation of why the purchase is being sole sourced and what efforts have been made to solicit bids for the services or products to be purchased. The Sole Source Certificate is located on the employee home page under electronic forms.
- 4.2.8 Training
- 4.2.9 Resale items purchased for the Bookstore, Cafeteria, or other OCCC-operated entities.
- 4.2.10 Utilities
- 4.3 Split purchasing for the purpose of evading the competitive bidding requirement is prohibited.

## 5.0 ADDITIONAL PURCHASING REQUIREMENTS

- 5.1 The Purchasing Department may increase purchase orders upon written approval from department. Increases in purchase orders for purpose of evading the competitive bidding requirements are prohibited. Increases to purchase orders that cause the total dollar amount to exceed the dollar threshold amount requiring competition will require additional quotes to be obtained, formal competition to be issued, or provide justification as an exception to competition before increase to the purchase order will be processed.
- 5.2 Purchases that provide a trade-in value or discount to reduce the cost of a single item shall not be a consideration factor in the total purchase cost to avoid adhering to competitive bidding requirements.
- 5.3 Purchases for specific student meals or ticketed events purchased require documentation indicating the relevant purpose of the expense and the estimated number of attendees eating the meal and/or attending the event to be submitted to Purchasing upon entry of requisition. After the event or meal, an official signed roster must be provided to the Purchasing Department. Meals and/or ticketed events for faculty/staff business or college related meetings will require a written agenda documenting the relevant purpose of the business and/or college activity to be submitted to Purchasing upon entry of requisition.
- 5.4 Emergency Purchases:
  - 5.4.1 An emergency purchase is defined as a purchase in a circumstance in which an unforeseen condition is believed to place human life or safety in imminent danger or threaten significant property interests with imminent destruction.
  - 5.4.2 The department head must prepare and submit to the Purchasing Department a written explanation specifying the facts and circumstances of the emergency purchase.
  - 5.4.3 Emergency purchases not exceeding \$25,000.00 must be approved by the Vice President for the area affected and the Chief Financial Officer.

- 5.4.4 Emergency purchases exceeding \$25,000.00 must be approved by the President.
- 5.5 Product Recalls/Hazards:
  - 5.5.1 To ensure proper actions are taken and documentation is maintained, the department receiving a manufacturer's recall or hazard notice must send a copy of the letter to the Purchasing Department. The Purchasing department maintains documentation as to:
    - 5.5.1.1 Department notified.
    - 5.5.1.2 Actions taken, if any.
    - 5.5.1.3 Lot numbers returned to company, if any.
    - 5.5.1.4 Notifications to appropriate personnel.
- 5.6 Blanket Orders:
  - 5.6.1 The Purchasing Department uses two types of blanket purchase orders.
  - 5.6.2 PO/blanket order – This type of blanket order is issued with local vendors (Walmart, Crest, Hobby Lobby, Lowes, etc.) to ensure a source for small miscellaneous items pick up by the requestor that are needed. These items along with the signed original receipt are to be taken to the Receiving area to be received into the system.
  - 5.6.3 BPO/blanket order – This type of blanket order is used primarily for contract services, professional services, memberships, subscriptions, reimbursements, etc. These generally do not go through the Receiving department.
  - 5.6.4 Blanket purchase orders are not allowed for purchases through online retail vendors (Amazon, Staples, etc.) and is required that a requisition be entered per individual order placed.
- 5.7 Contract Approvals
  - 5.7.1 Bids and proposals are analyzed by OCCC staff to determine the best value or lowest and best proposal or bid in the best interests of the OCCC. All contracts for products and services must be approved by the Executive Leadership Team member or Vice President of the department requiring product and/or service.
  - 5.7.2 The Office of General Counsel must review and approve all RFPs, ITBs, and contracts awarded for acquisitions exceeding \$50,000.00, at both the solicitation stage and contract award stage.
- 5.8 Vendors:
  - 5.8.1 Vendors wishing to be added to the Oklahoma City Community College vendor list should contact the Purchasing department. The vendor must complete a vendor registration form and provide a signed W9.
  - 5.8.2 The Purchasing Department may remove any vendor from the list of vendors, at its own discretion or based on a complaint from a department, based on facts supporting one or more of the following:
    - 5.8.2.1 Unethical behavior
    - 5.8.2.2 Poor quality of provided products and/or service
    - 5.8.2.3 Exorbitant pricing
    - 5.8.2.4 Serious and/or repeated delivery problems
    - 5.8.2.5 Failure to stand behind the provided product and/or service
    - 5.8.2.6 Serious or repeated violations of safety, health, environmental or

security procedures

5.8.2.7 Repeated failure to follow the proper purchasing, delivery, billing and substitution policies

5.8.3 Vendors working at OCCC are required to provide proof of insurance as a condition of any Contract for Services. Vendors may not commence performance until proof of insurance is provided, as follows: Commercial General Liability Insurance covering the risks of personal injury, bodily injury (including death), and property damage, including coverage for contractual liability; Automobile Liability Insurance; and Workers' Compensation and Employer's Liability Insurance, as required by applicable law. If the vendor contracts for provision of services or goods related to information technology or data privacy or confidentiality, such vendor must provide Security and Privacy Liability Insurance, including coverage for failure to protect confidential information and failure of the security of vendor's computer systems resulting in unauthorized access to OCCC data; and Directors and Officers Insurance, including Employment Practices Liability as well as Consultants' Computer Errors and Omissions Coverage. The coverages and limits required in connection with a particular contract shall be reviewed and approved by the Office of General Counsel. Additional coverage may be required in connection with a particular acquisition, to be set forth in the solicitation. Vendor shall ensure each insurance policy required includes OCCC as a certificate holder for purposes of notices of cancellation, renewals, amendments or other changes to insurance coverages

5.8.4 Contract Negotiations. All bid negotiations and correspondence with vendors relating to specifications, procurement, price, terms, delivery, changes, cancellation, etc., shall originate from the Purchasing Department. When technical detail makes it necessary for the requisitioner to communicate directly with the vendor, copies of all correspondence must be forwarded to the Purchasing Department. Changes or revisions will be written as an addendum to the existing or awarded contract.

5.8.5 Due to confidentiality and attorney client privilege, professional services contracts for legal services are exempt from this requirement.

5.9 Purchases Exceeding \$50,000.00:

5.9.1 Any E&G, Auxiliary expenditure exceeding \$50,000.00 must be approved by the Department or Division Director and the Vice President of Budgetary Unit.

5.9.2 If an expenditure exceeds the amount available in the E&G or Auxiliary budget, the department must work with their Executive Leadership team member or Vice President and the Chief Financial Officer to request a transfer from contingency funds. All contingency fund transfers must be approved by the President.

5.10 Contracts. Contracts and service agreements requiring a purchase order must be submitted to the Purchasing Department for review prior to entering into the agreement. A copy of the contract is maintained in the Purchasing Department. Each OCCC operational division shall be responsible to enter and maintain all division contracts, and contract documents, such as extensions, amendments and renewals, executed on or after January 3, 2022 in OCCC's contract life cycle

management (CLM) application, ContractSafe. Each division will assign at least one person who will be responsible to ensure the contracts and contract documents are entered and maintained in the CLM application. Contact the Office of General Counsel for CLM questions and training needs.

- 5.11 Capital Equipment. Capital Equipment is any item of equipment with values exceeding reporting thresholds set by Oklahoma law and the Office of Management and Enterprise Services (OMES). The Shipping/Receiving Department shall tag capital equipment as necessary for inventory purposes. If a department receives untagged capital equipment, it shall notify Shipping/Receiving.

## 6.0 PURCHASE CARD PROGRAM

### 6.1 Program Description

The Purchase Card (“P-Card”) Program is designed to facilitate the acquisition of certain designated goods required for the operation of OCCC business. The Chief Financial Officer shall have final approval of employees (“Cardholders”) to whom a P-Card shall be assigned.

### 6.2 Terms of Use

- 6.2.1 Obtaining a P-Card – The employee must complete a P-Card application signed by the requesting cardholder and supervisor and forwarded for final approval by the Director of Purchasing and Chief Financial Officer.
- 6.2.2 Only the Cardholder whose name appears on the P-Card may conduct transactions using the P-Card. The Cardholder shall not allow any other person to use the P-Card.
- 6.2.3 The P-Card shall not be used as a tool to circumvent existing policy or state regulations.
- 6.2.4 The Cardholder is responsible for and accountable to OCCC for all charges made with the P-Card.
- 6.2.5 The P-Card may be used for official OCCC purchase of designated goods only. The P-Card shall not be used for any service, personal purchases or cash withdrawal.
- 6.2.6 Single transaction limits should not exceed limits in OCCC policy. The Director of Purchasing will establish the P-Card monthly single transaction expenditure limit.
- 6.2.8 Entry and approval of a requisition and purchase order processed by Purchasing is required for all P-Card transactions.
- 6.2.9 Cardholders are required to print a monthly P-Card Transaction Statement by accessing credit card company transaction system. The monthly transaction statement and detailed receipts for the current applied charges must be reviewed and signed by the cardholder. The monthly statement must be approved and signed by the cardholder’s immediate supervisor. The monthly statement, detailed receipts and any additional documentation regarding the transactions should be scanned and emailed or sent through campus mail to the Director of Purchasing for final reconciliation by the due date requested by the Purchasing department at the beginning of each month.
- 6.2.10 Termination/Cancellation, Transfer/FTE Change, Lost/Stolen P-Card - A cardholder must surrender all cards associated with the P-Card program

upon termination of employment (i.e. retirement or voluntary/involuntary termination). Upon termination, no further use of the card is authorized. The Director of Purchasing will close the account with the credit card company and will indicate cancellation date on the cardholder P-Card application upon receipt of surrendered P-Card.

- 6.2.11 A cardholder must surrender all cards associated with the P-Card program upon transfer to another OCCC department or a change in FTE. Once transfer or FTE change becomes applicable, no further use of the card is authorized. The cardholder will be required to complete a new P-Card application for purchases for the department transferred, if applicable.

A cardholder must immediately notify the credit card company and the Director of Purchasing if a card is lost or stolen. The P-Card account will be immediately closed and a new account and P-Card will be issued to the cardholder.

- 6.2.12 Violations of P-Card Program or Terms of Use - Unauthorized use of a P-Card for purchases not authorized by this procedure or by a person not authorized by the Chief Financial Officer may result in disciplinary action up to and including termination of employment.
- 6.2.13 Deliberate unauthorized use of a P-Card will result in disciplinary action and legal action and may result in criminal charges.
- 6.2.14 The Director of Purchasing will review all monthly statements and receipts of all cardholder monthly transactions. The cardholder will be immediately notified of any statement discrepancies or missing documentation and will be required to provide to the Director of Purchasing immediately upon request.
- 6.2.15 Splitting Transactions – Splitting transactions to avoid P-Card restrictions is not allowed and will result in card suspension or revocation. Split purchases are multiple transactions within a short period of time that are made to circumvent the cardholder’s P-Card limit.
- 6.2.16 Recurrent issues with cardholder P-Card transactions, monthly statements, etc. may result in the temporary suspension of P-Card and required attendance in P-Card refresher training with the Director of Purchasing. Continued P-Card issues may result in the cardholder being barred from the P-Card program.
- 6.2.17 Cardholders will be provided by email communication an annual refresher of the P-Card procedures at the beginning of each fiscal year (July 1). Individual cardholder training will be scheduled at the discretion of the Director of Purchasing on an as needed basis.

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