

	<b>POLICY</b>	<b>Motion No.</b>	<b>FF 1011-2023</b>
	<b>Purchasing Guidance</b>	<b>Effective Date</b>	<b>04/18/23</b>
		<b>Responsible Department</b>	<b>Finance</b>
		<b>Attorney Review / Date</b>	<b>NA</b>

### **Authority and Responsibility for Purchasing Goods and Services**

This procurement policy is intended to comply with all applicable laws and procurement regulations of the Commonwealth of Pennsylvania, specifically those outlined in Chapter 35 of the Pennsylvania Code and the Community College Act of 1963.

### **Authorized Purchases**

Purchase orders (PO) may only be issued by the Pennsylvania Highlands Community College (PHCC) Purchasing Department; purchases by any other means are not authorized. Vendors must reference the PHCC PO number on all invoices.

No verbal or written comments by other PHCC personnel should be construed by a supplier as a form of legal authorization or obligation on the behalf of PHCC. Any such negotiations by an unauthorized individual will not be honored by the College, and the unauthorized employee will encounter a personal obligation to the vendor. Firms ordinarily doing business with the College will be advised that all purchases chargeable to the College must be authorized by an official College purchase order. The College will not reimburse employees for the cost of any such purchases on behalf of the College unless previous arrangements have been made.

PHCC has adopted policies to ensure that the College receives fair value in the purchase of all goods and services that it acquires, and that fair and open competition is allowed for the provision of goods and services where practical.

### **Construction, Repair, Lease Agreements, and Purchase Bidding and Approval Process**

#### Bidding Process

- If the College wishes to contract out services for construction or repairs, the College will follow Pennsylvania Code Title 22 Chapter 35.51. For contracts for services except those of a professional nature and personal property (e.g., leases, equipment or supplies) and for items of a non-competitive nature the College will follow the most current Pennsylvania Department of Labor and Industry bid and quote thresholds for public contracts and purchases. In an emergency situation in which a part of the College facilities plant may become unusable, a contract, with Pennsylvania Department of Education approval, may be awarded without soliciting bids.

- Bids under public notice for construction, reconstruction and repair will be governed by Title 22, Chapter 35 of the Pennsylvania Code and shall be accompanied by a bond with corporate surety or certified check in an amount as the Board of Trustees determines, but at least 5% of the amount bid. If a bidder, upon award of the contract, fails to comply with the requirements as to a bond guaranteeing the performance of the contract, the bid bond or certified check shall be forfeited.
- The bidder to whom the contract is awarded shall furnish bonds to guarantee the performance of the contract and payment for labor and materials.
- Awards are made on the basis of the lowest responsible and responsive bid or quote received. In the case of a Request for Proposal (RFP), awards are based on a competitive negotiation with one or more vendors deemed to have satisfied the requirements of the solicitation.

Additional authorizations:

- a. Any contracts or purchases requiring formal bidding or under cooperative purchasing contracts in excess of \$25,000 require approval of the President.
- b. Any lease of commercial property requires the approval of the President.
- c. Any contracts, purchases, or lease agreements exceeding \$50,000 require approval of the Board of Trustees. However, if these purchases of goods, equipment, or services are regular operational expenditures from the approved College budget or is funded by using a federal or state grant, then Board approval is not required (unless otherwise explicitly stated in this policy); the Board will be notified of such expenditures at the next regularly scheduled Board meeting.

The College reserves the right to perform construction, reconstruction, repairs, or work of any nature by its own maintenance personnel.

Professional Services

Because of their significance to the College and the responsibilities of the Board of Trustees, the following professional services, regardless of cost, require Board approval at the time a change in provider is considered or a new contract for services is required:

- Public Accounting Services
- Banking Services
- Legal Services
- Insurance Services
- Any consulting or professional service provider with an annual expense of fifty thousand dollars (\$50,000) or greater.

Before entering into a contract for any of the above listed professional or consulting services, the provider will be required to sign a conflict-of-interest statement disclosing any personal or professional relationship with any member of the Board of Trustees or College employee.

## **Cooperative Purchasing Programs and Requirements**

Cooperative purchasing program contracts provide significant value with greater efficiency than the typical bidding procedure. Pennsylvania Highlands Community College enters into state and national intergovernmental agreements for cooperative purchasing. The College may utilize cooperative purchasing contracts provided the purchasing programs qualify under Pennsylvania procurement laws.

When the College uses federal dollars to fund a project or purchase, it must also abide by federal procurement requirements. . The overarching requirement that must be followed is the Office of Management and Budget's Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 CFR Part 200, referred to as Uniform Guidance.

The purchase must comply with the most restrictive rule (state or federal) governing the type of procurement.

The College will not award contracts to any person or company who is debarred or suspended. For all purchases over \$25,000, the college federal grant administrator will be responsible to verify if the contractor with whom the College intends to do business with is not excluded. Such verification may include accessing the online federal System of Award Management (SAM) to determine whether any relevant party is subject to debarment or suspension restrictions.

## **Utilization of Small and Minority Owned Business and Energy Efficient Products**

The College will encourage the utilization of small business, minority-owned firms, women's business enterprises, and ecologically sound and energy-efficient products whenever possible.

All decisions made in the course of their professional responsibilities by members of the Board of Trustees and employees of Pennsylvania Highlands Community College are to be made solely on the basis of a desire to promote the best interests of the College. Potential conflicts of interest and the requirements to disclose such conflicts are defined in the Disclosures of Conflict-of-Interest policy.

## **Maintenance of Procurement Records with Federal Funding**

The College will comply with CFR Part 200 and maintain records sufficient to detail the history of all procurement using federal funds. These records will include but are not limited to the following: reason for the method of procurement used, selection of a contract or vendor, the basis of the contract and verification that the contractor or vendor is not suspended or debarred.

1. Property records will be maintained to include a description of the property, a serial or identification number, the source of funding for the property (including FAIN), who holds title, the acquisition date, cost of the property, percentage of federal participation in the project costs for the federal award under which the

property was acquired, location, use and condition, disposition date and sale price of property.

2. A physical inventory of the property will be taken, and the results reconciled with the property records at least once every two years.
3. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage or theft must be investigated.
4. Adequate maintenance procedures must be developed to keep the property in good condition.
5. If the non-federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

Effective Date	Motion Number	Document Author	Description of Change
04/18/2023	FF 1011-2023	Finance	Reduced unnecessary and redundant language. Dollar thresholds were removed in many instances and replaced with referral to the Pennsylvania Department of Labor and Industry standards
10.18.22	FF 1016-2022	Finance	Revision to clarify expenditures over \$50,000 that do not require board approval
12/21/2021	FF 1025-2021	Finance	Initial Release