



## **302 POLICY - Purchasing Guidelines**

### **302.1 Statement of Policy**

Redlands Community College complies with all applicable laws and procedures governing purchases, including the guidelines established by [2.01 Senate Bill No. 211] of the 27<sup>th</sup> Oklahoma Legislature which enacted the Central Purchasing Act and created within the State Board of Public Affairs and centralized purchasing division. In general, this statute requires state agencies to make acquisitions through the State Board of Public Affairs. The Oklahoma State Regents for Higher Education and all colleges and universities under the State Regents are not subject to the terms of the Oklahoma Central Purchasing Act by virtue of specific legislation enacted in 1968 exempting institutions of higher education. Redlands Community College, however, by Board of Regents' policy, generally follows the requirements of the Central Purchasing Act by adhering to various state statutes and the rules promulgated by the Office of Public Affairs. Internal purchasing guidelines may be established and modified periodically. Employees of the College who have purchasing responsibilities are encouraged to participate in professional associations and activities which provide information relevant to their purchasing responsibilities. Guidelines for purchasing supplies, materials, services, and equipment are published in the Procedures section of the Policies and Procedures Manual.

### **302.2 Public Construction and Improvement Projects**

Purchases which are subject to the Public Competitive Bidding Act of 1974, as amended, [61 O.S. § 101 et seq.] shall be made in accordance with the Act. Contracts for public improvements, construction of public buildings, or repair of the same, which involve a specified amount, are subject to the Act. Guidelines for competitive bidding are published in the Procedures section of the Policies and Procedures Manual.

Adopted 1991  
Revised February 2001  
Revised December 2010  
Revised October 2018



## 302 PROCEDURE - Purchasing Guidelines

### **302.1:1 Supplies, Materials, Services, and Equipment**

Purchases of supplies, materials, services, and equipment by the College generally follows the requirements of the Oklahoma Department of Central Services Central Purchasing Act by adhering to various state statutes and Administrative Rules [OAC 580:15, 16] and the State of Oklahoma Purchase Card Procedures as established by the Oklahoma Department of Central Services.

#### **Definitions:**

Acquisition - any single item purchased or the total of all purchases made with a single vendor within a fiscal year.

Split Purchase - any method of dividing the cost of an acquisition for the purpose of evading an approved spending threshold or for the purpose of evading competitive bidding requirements. **A split purchase for the purpose of evading competitive bidding requirements is a felony [74 O.S. § 85.7(a)(2)(a)].**

Acquisitions shall be made by using the best method of acquisition listed below, in order of required use:

- A. Statewide Contracts - If an acquisition is not available from the State Use Committee or OCI within the time period required by the purchaser and the product or service is available on a Statewide Contract, the agency may place a direct order without competitive bidding.
- B. Competitive Bidding - Any acquisition involving an amount in excess of \$10,000 that cannot be purchased through Statewide contracts listed above must be competitively bid according to the following guidelines unless the acquisition meets the criteria stated in paragraph 6 below:
  1. Any acquisition involving an amount in excess of \$50,000.00 shall be made through formal competitive bid procedures and shall have the prior approval of the College Board of Regents. Formal competitive bid procedures shall include, but not limited to, all of the following [74 O.S. § 85]:
    - Bid solicitation documentation must be approved by the agency's internal Certified Purchasing Officer (CPO);
    - The bid shall be solicited by sealed bid and/or electronic means;
    - The bid solicitation shall be posted on the college website for all potential vendors to see and have the same opportunities to submit a bid and/or



proposal;

- All awards shall be based on lowest and best or best value criteria;
  - All certifications, verifications, and other required documents shall be available in the agency's internal CPO's office prior to the award of a contract.
2. Any acquisition involving an amount in excess of \$30,000.00 and not exceeding \$50,000.00 shall be made through informal bid procedures and shall have the prior approval of the College President.
    - Bid solicitation documentation must be approved by the agency's internal CPO;
    - The bid may be solicited by electronic means;
    - The bid solicitation shall be posted on the college website for all potential vendors to see and have the same opportunities to submit a bid and/or proposal;
    - The agency shall solicit a minimum of three (3) registered suppliers in the appropriate commodity classification from the Supplier List along with any other suppliers identified by the agency;
    - All awards shall be based on lowest and best or best value criteria;
    - All certifications, verifications, and other required documents shall be available in the agency's internal CPO's office prior to the award of a contract.
  3. Any acquisition involving an amount in excess of \$10,000.00 and not exceeding \$30,000.00 shall be made through informal bid procedures and shall have the prior approval of the Executive Vice President/Chief of Staff.
    - Bid solicitation documentation must be approved by the agency's internal CPO;
    - The bid may be solicited by electronic means;
    - The agency shall solicit a minimum of three (3) registered suppliers in the appropriate commodity classification from the Supplier List along with any other suppliers identified by the agency;
    - All awards shall be based on lowest and best or best value criteria;
    - All certifications, verifications, and other required documents shall be available in the agency's internal CPO's office prior to the award of a contract.
  4. Any single purchase involving an amount less than \$10,000.00 shall not require a bid procedure. However, price comparisons, although are not required, should be made in order to obtain the lowest and best value. All purchases should

- conform to departmental budgets and must have prior supervisory approval.
5. Bids are not required for purchases which are made from state contracts, at or below state contract prices, or from a governmental entity, or from an existing bid awarded by another state college, university, or consortium of such institutions. These types of purchases should be utilized when the College's purchasing needs can be met adequately and economically.
  6. Sole Source acquisitions shall be made only after reasonable efforts to identify all possible sources have been exhausted.
    - A Sole Source Affidavit must be completed for all sole source purchases;
    - Sole Source documentation must be approved by the agency's internal CPO;
    - All certifications, verifications, and other required documents shall be available in the agency's internal CPO's office prior to the award of a Sole Source contract.

### **302.1:2 Exempt Purchases**

The following are exempt purchases:

Emergency purchases may be authorized by the College Executive Vice President/Chief of Staff and shall be reported to the President and College Board of Regents at the next meeting of the Board of Regents if the total dollar amount is in excess of \$50,000.

The following items are exempt from bidding requirements:

- library books and materials,
- utilities
- professional services
- sole source items
- Livestock
- agency special operations, and
- other items that may be specifically identified and authorized by OSRHE, state statutes, or the College Board of Regents.

For exempt purchases, suppliers are not exempt from providing the required certifications, verifications, and other required documents in order to be awarded.



### **302.1:3 Purchasing Guidelines for Spending Federal Funds**

Expenditure of federal funds requires abiding by federal guidelines published by the Office of Management and Budget (OMB). This guidance has been called the “Omni-Guidance”, “Supercircular”, or “Uniform Guidance”. Uniform guidance provides the following information applicable to expenditures of federal funds.

When procuring property and services under a Federal award, a state must follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will comply with §200.322 Procurement of recovered materials and ensure that every purchase order or other contract includes any clauses required by section §200.326 contract provisions. All other non-Federal entities, including sub recipients of a state, will follow §§200.318 General procurement standards through 200.326 Contract provisions.

1. Micro Purchase Threshold , <\$10,000
  - a. No quotes needed – same as OK fair and reasonable threshold and Redlands single purchase maximum.
2. Small purchases - >\$10,000
  - a. Must have quotes – Redlands purchasing policy is stricter and must be followed.
  - b. Any purchase over \$25,000 requires verification that the supplier is not on the federally suspended or debarred. Contact the purchasing office for assistance at (405) 422-1410.
3. Sealed bid – over \$150,000
  - a. Competitive proposals required – follow by Redlands Procurement Office guidelines
  - b. Price is a major factor
  - c. All procurement transactions must be conducted in a manner providing full and open competition consistent with Federal Uniform Guidelines.
  - d. Competition may not be restrictive
  - e. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of.



4. Sole source procurement
  - a. Uniform Guidance also establishes limited the use of sole source awards to four specific justifications:
    - i. Product/service is only available from a single source;
    - ii. A Public Emergency Procurement
    - iii. The Federal Awarding Agency Authorization (the awarding agency specifically authorizes a non-competitive procurement after a written request from the Non-federal entity);
    - iv. Inadequate competition after solicitation of multiple sources
  - b. These changes were effective July 1, 2018 and will result in a review of all sole source justifications at Redlands when federal funds are being utilized. The most significant change to the sole source section of UG (from the OMB circulars) is that the “continuity of research” is no longer an acceptable justification. When a requisition is processed through the college’s purchasing system, if justification #3 is used, award documents or any approvals by the Awarding Agency must be attached to the requisition.
  - c. Redlands Purchasing will continue to manage the sourcing, (including the evaluation of sole source justifications) award, and negotiation for acquisitions above \$10,000. Additionally, every sole source will require a price/cost justification and will require the College to negotiate profit with the vendors for those sole sources. Sole Source requisitions must include a published price listing of the item(s) or service(s) or other supporting documentation from the vendor showing the price. When Federal funding will be used for a service, the vendor should be notified via the requisition of the fact and that the lowest and best price available be quoted.
    - i. Awards made to other state agencies (Interlocal Cooperation Act) and Title 18 professional services will continue to be non-competitive as outlined in Oklahoma Statutes.
5. Academic Research Consulting is a vital part of many sponsored projects and often the expertise necessary for a project’s successful completion is so specific that only a limited number of laboratories, Universities, or individuals may be able to fulfil the research requirements.
  - a. The college has historically used this need as a sole source justification for awarding academic research consulting services. To more effectively manage these potential sole source awards, Principal Investigators should provide documentation supporting the sole source during the requisition process. This documentation should include any Federal Agency approvals



made during the grant's awarding process and/or any specific approvals by the agency.

- b. The Principal Investigator should provide a "Sole Source Certificate". All documentation must be attached to the requisition prior to the procurement of the services.
- c. College Purchasing reviews all sourcing awards to ensure compliance, including the evaluation of sole source justifications/award, negotiations, and execution of research consulting contracts.

### **302.2:1 Public Construction and Improvement Projects**

Purchases made for projects that are subject to the Oklahoma Public Competitive Bidding Act must be made in compliance with that Act, including the requirement for certifications, verifications and other required documents, as applicable, from the supplier selected for contract award. The College can also use a certified Construction Manager at Risk if the Redlands Board of Regents has approved the CMAR.

Adopted 1991

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