

**SOUTH FLORIDA STATE COLLEGE
ADMINISTRATIVE PROCEDURES**

PROCEDURE NO. 4040

TITLE: PURCHASING OF GOODS AND SERVICES

BASED ON POLICY: 4.04 PURCHASING

OFFICE OF PRIMARY RESPONSIBILITY: VICE PRESIDENT FOR ADMINISTRATIVE SERVICES/PURCHASING

I. Purpose:

To provide guidelines for the organized systematic procurement of necessary materials, goods, services, supplies, and/or equipment to support efficient and effective College operations

II. Procedure:

A. General information

1. All supplies, equipment, and services are to be obtained at the lowest cost that is consistent with quantity, quality, availability, and service.
2. No person is authorized to obligate the College for any purchase without prior approval via an approved purchase order (PO) (initiated by a purchase requisition (PR), request for funds (RFF), or proper authorization on a College credit or procurement card (P-Card). Items ordered/purchased without sufficient budget or authorization are subject to being billed directly to the individual who ordered the item.
3. Prior to final approval of expenditure, the index manager must determine that funds are available. The index manager will review the budget and year-to-date expenditures. If it is determined that the funds are not available within a specific index, then it will be necessary for the index manager to secure the funds and process a budget amendment to ensure that the required funds are available in the index for the desired purchase. For restricted/grant funds, it must be determined to be allowable under the funding source prior to processing an expenditure.
4. The expenditure of public funds requires the exhibition of fiduciary care to ensure that limited resources are used for the maximum benefit. To expend funds, various rules exist to ensure that expenditures are restricted by many factors depending on what is being bought, the dollar amounts involved and the expenditure authority of the person authorizing the expenditure.

B. General purchasing guidelines

1. Purchasing questions: The Purchasing Department is to be contacted if assistance is needed in obtaining goods or services. The Purchasing Department will maintain a wide variety of current reference materials, contact with reputable vendors, and information on the Florida Department of Management Services state term contracts. The Purchasing Department reserves the right to combine purchases and/or secure like goods from another vendor.
2. Office supplies: All bulk purchases of general office supplies should be purchased through the Purchasing Department. In addition, specific items can be purchased from the Office of Community Relations and Marketing and the College bookstore with payment by College P-Card.
3. Gasoline purchases: All purchases of gasoline should be made via the Voyager Card as the College is able to avoid paying tax included in the price of gasoline. College employees needing to purchase gasoline for College vehicles or vehicles rented for a College purpose should contact the Purchasing Department.
4. Procurement cards (P-Card): Employees using a P-Card should refer to the separate guidelines for use of a College P-Card obtained when the P-Card was issued. Updated copies of the P-Card guidelines can be found on the purchasing page of the College website.
5. Professional and/or consulting services: Each PR/RFF to an individual for professional and/or consulting services requires that a form entitled Professional/Consulting Services Agreement and an IRS Form W-9 Request for Taxpayer Identification Number and Certification is completed and submitted along with the PR/RFF. Refer to SFSC Administrative Procedure 5200 regarding the hiring of consultants. Reimbursable child care expenses made to students are not considered services which require a W-9. Both forms are available in Panther Central.
6. Tax exempt status: As a state of Florida educational institution, the College is exempt from Florida state sales tax. Certificates of Exemption are available in the Purchasing and Accounting departments as well as available online at the purchasing page of the College website. State of Florida sales tax expenditures will not be reimbursed unless circumstances dictate the necessity and are approved by the controller.
7. Conflict of interest: No College employee shall solicit or accept anything of value from a current or prospective supplier for personal gain. In accordance with F.S. 112. Part III (Code of Ethics for Public Officers and Employees), no College employee shall, while acting in a private capacity, rent, lease or sell realty, goods, or services to the College without first obtaining the approval of the president.

When considering vendors for any purchase, College employees shall not recommend or do business with a vendor who donates funds, goods, or services solely because of their donor status. Employees should always strive to purchase items and services at the best value (lowest cost for the quality level needed). Transactions of \$10,000 or more with major donors (business entities who have donated or plan to donate more than \$10,000 in a calendar year to the College or the SFSC Foundation, Inc.) must include documentation justifying the value of the transaction. The SFSC Foundation, Inc. shall provide a list of major donors to the Purchasing Department annually.

Employees working with or on any College grants will sign a Conflict of Interest form in accordance with SFSC Administrative Procedure 4223 to certify to the lack of any potential conflicts of interest. The purchasing coordinator will be made aware of any identified conflicts that would affect purchasing decisions.

8. Use of local vendors: It is to be recognized that vendors located in the College's service district are generally more responsive to service/repair needs of the College, and this should be given consideration when selecting a vendor as long as cost, quality, availability, and service are generally equivalent.
9. Gift cards - purchase of gift cards or items to be given as prizes or incentives: The purchase of gift cards and/or items to be given as prizes or incentives must be supported by the signature(s) of the recipient(s) on acknowledgement receipts. Acknowledgement receipts can be created by the budget manager paying for the gift card/prize/incentive to describe what is being given to whom to support the expenditure of College funds. Gift cards or other items to be given as prizes should not be given to College employees without the pre-approval of the controller.
10. Vendors (including consortia fiscal agents) obtained to provide recruitment or admission activities for students and programs eligible for Title IV aid cannot be paid based upon numeric outcome measures.
11. Uniforms (or any apparel) must be purchased using a requisition/purchase order and be approved by the controller or vice president for administrative services. The names of individuals to receive the uniforms or apparel must be presented in support of said purchases.

C. Expenditure authorization

1. The controller is authorized to approve expenditures for utility billings, instructional supplies, payroll deductions/benefit expense payments, travel cost reimbursements, postage/cash replenishment, and payments made in accordance with properly executed grants and contracts. The coordinator, student accounting and financial services is authorized to approve tuition reimbursement payments and miscellaneous refunds.
2. Signatory authority – employee levels to dollar thresholds

Position Type*	Dollar Threshold Range	
	From	To
Authorized Staff**	0	\$ 499
Coordinator, non-administrative director or department chair, manager, program manager	\$ 500	\$ 749
Administrative Director, Dean	\$ 750	\$ 1,499
Vice Presidents	\$ 1,500	\$ 19,999
President, Vice President for Administrative Services	\$ 20,000	\$ 249,999***

*Certain positions within any predefined category of staff may have different signatory levels for P-Card transactions with appropriate approval from their chain of command for increased authorization levels for periods of time less than 90 days. Timeframes for increased authorization exceeding 90 days must additionally be approved by the vice president for administrative services. Increased authorizations must minimally be reviewed and renewed annually.

**Authorized staff has authority for P-Card transactions as specified on their cardholder agreements as pre-approved by cost center managers. All expenditures by authorized staff must be ratified by the appropriate supervisor/cost center manager.

***Purchase of \$250,000 or greater requires SFSC District Board of Trustees approval prior to obtaining the president's or vice president for administrative services' signature.

3. Approvals for specific types of expenditures are required and summarized in the following table:

Type of Expenditure	Other Approvals Required
Grant expenditure	Business Office grants manager
College logo, printed materials, advertising, etc.	Department of Community Relations
Contracts, leases	Vice President for Administrative Services
Computer or computer-related hardware and software components or installation	IT Department
Institutional memberships	President
Reimbursements to self	Supervisor's signature

D. Procurement – How to go about getting what you need

1. Purchase Requisition (PR)/Purchase Order (PO)

A PR is required for these items because of the need for pre-approval, verification of insurance, adherence to competitive bidding, etc. The Business Office may pay POs with a College P-Card.

- a. Purchase of services (consultants, performers, printing, tradespeople, etc.)
- b. Technology expenditures (computers, printers, software, etc.)
- c. All expenditures subject to competitive bidding, informal and formal
- d. Equipment purchases over \$750
- e. Uniforms
- f. Purchases requiring a contractual agreement
- g. Blanket purchase orders - A blanket purchase order is an order in which services or supplies are required with some degree of regularity during a specified time period, but the quantities are typically small or difficult to anticipate. PRs for blanket purchases must include the names of employees authorized to charge against the PO and the time frame during which the PO is valid (within the current fiscal year). The Purchasing Department may determine that in some instances, the use of a P-Card might be more practical than the use of a blanket purchase order.

2. P-Card or Request for Funds (RFF)

A P-Card should be used so long as the vendor accepts credit cards without a fee. If there is a fee for using a P-Card or the vendor does not take P-Cards, then an RFF should be used. The controller has authority to authorize payment of credit card fees when it is in the best interest of the College.

- a. Payments to hotels, airfare, conference registrations
 - b. Online purchases of small dollar items
 - c. Purchase of small dollar items needed quickly from local stores (examples: Home Depot, Walmart, Publix)
 - d. Subscriptions, publications
 - e. Fund 6 custody accounts
 - f. Insurance payments
 - g. Medical exams
 - h. Human Resources screenings
 - i. Licensing payments
 - j. Utilities
 - k. Gift cards for drawings/awards
- E. Competitive purchasing rules: Informal purchases between \$5,000 and \$64,999

Unless waived by the controller or the vice president for administrative services, the following is required in order to ensure the College pays the least to get the most:

1. Telephone quotations: Purchases of items costing \$5,000 up to \$20,000 must have evidence of at least three telephone quotations attached to the expenditure unless exempt from the competitive bidding process (see listing of exemptions in II.F.2). Originating department staff will obtain telephone quotes from three or more qualified firms. Documentation of the firm name, contact person, telephone number, and the amount quoted must be attached to the purchase requisition before forwarding.
2. Written quotations: Purchases exceeding \$20,000 but less than \$65,000 must have at least three vendor submitted written quotations on file unless exempt from the competitive bidding process (see listing of exemptions in II.F.2).
 - a. Purchasing Department staff will coordinate the written quote process by assisting originating departments with qualified vendor names/addresses, written specification development assistance, and by handling all written communications with vendors. All written quotations must be submitted to the Purchasing Department directly from the vendors.
 - b. Purchasing Department staff will then forward the results to the originating department for consideration

F. Competitive purchasing rules: Formal purchases over \$65,000

1. Refer to SFSC Administrative Procedure 7010 for procedures specific to the Consultants' Competitive Negotiations Act.
2. In the absence of one of the following exemptions, expenditures exceeding \$65,000 must be competitively bid by the Purchasing Department:
 - a. Educational tests, textbooks, instructional materials and equipment, films, filmstrips, video tapes, disc or tape recordings or similar audio-visual materials, and graphic and computer-based instructional software
 - b. Library books, reference books, periodicals, and other library materials and supplies
 - c. Purchases at the unit or contract prices established through competitive solicitations by any unit of government established by law or buying cooperatives
 - d. Food
 - e. Services or commodities available only from a single or sole source
 - f. Professional services, including, but not limited to, artistic services, instructional services, health services, academic program reviews, lectures by individuals, attorneys, legal services, auditors, and management consultants
 - g. Information technology resources defined as all forms of technology used to create, process, store, transmit, exchange, and use information in various forms of voice, video and data, and shall also include the personnel costs and contracts that provide direct information technology support consistent with each individual College's information technology plan
 - h. Items for resale
 - i. The College president or designee may waive solicitation requirements in emergencies when there is an imminent threat to students, employees or public safety, or in cases when necessary to prevent damage to the facilities caused by an unexpected circumstance in accordance with rules established by the local District Board of Trustees
 - j. When the College solicits the submittal of competitive offers and only one responsive offer is submitted, the College may purchase such products or service under the best terms it can negotiate
3. Competitive bidding procedures: Formal sealed bids or proposals shall be requested by the Purchasing Department from three or more sources for any purchase of services or commodities exceeding \$65,000. The

president or SFSC District Board of Trustees shall have the authority to reject any or all bids or proposals and request new bids or proposals. When accepting bids or proposals, the president or SFSC District Board of Trustees shall accept the lowest or best bid or proposal. If other than the lowest bid or best proposal meeting specifications is accepted, the Purchasing Department shall maintain a public record of the justification.

4. Establishing bid specifications: The person and/or department most experienced with the products/services to be bid will coordinate with the Purchasing Department in the effort to establish bid specifications. The combined cooperation between Purchasing and the requesting department is necessary to establish concise, clear, and competitive bid/proposal specifications. Since the bidding process may take several months to complete, it is recommended that the Purchasing Department be notified as soon as possible when it is determined that competitive bidding may be appropriate.
5. Evaluating bid responses: After the bids/proposals are received and opened at the formal bid opening, the results are then listed on the Bid Tabulation form. The qualified firm that submits the lowest and best bid which meets all of the bid requirements/conditions shall be recommended for the bid award. The bid evaluation process is generally completed by the Purchasing Department in cooperation with department staff and/or consultants.

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