



Procurement Manual

2024-2025

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Policy and Purpose

Founded in 1971, Mohave Community College (MCC or College) is a dynamic institution of higher education dedicated to fostering lifelong learning and providing accessible, affordable opportunities for personal and professional development. MCC has grown to encompass multiple campuses offering a variety of associate degrees, certifications, and continuing education opportunities. MCC strives to empower students to succeed through innovative pathways and quality education.

The Procurement Policy is part of MCC's Policy and Procedure Manual, and states that, "The college shall assure that its procurement procedures adhere to all applicable state statutes and regulations (ARS 15-1445)."

Purchasing is much more than the single act of making a purchase. It involves planning, scheduling, policy interpretation, research, negotiation, selection and processing. It necessitates follow-up to ensure proper delivery and inspection, as to quantity and quality before acceptance and payment.

Above all, purchasing requires the understanding of procedures to be followed during the process and the cooperation of all individuals and departments within the College.

The purpose of the purchasing process is to identify the goods and service required for College operation, as well as to select and procure them as economically as possible within acceptable standards of quality.

The Procurement Department shall determine the applicable source selection method for the procurement. The Procurement Department is responsible for expediting the procurement process through qualified sources that provide the best pricing consistent with quality, delivery and service.

The goal of the Procurement Department is to support the College by obtaining maximum value from the expenditure of College funds through the acquisition of goods and services.

Ideally, the Procurement Department will promote maximum credibility, transparency, efficiency and equity in services provided and in the relations with requisitioners and vendors.

Ethics in Public Purchasing

Code of Ethics

Because procurement personnel constantly operate under pressure from conflicting sources, they must have a highly developed sense of professional ethics to resist those pressures and to serve their institution in an honorable way. To strengthen ethical awareness and to provide guidelines for its staff, MCC has implemented the following Code of Ethics as established by the National Association of Educational Buyers (NAEB):

- Give first consideration to the objectives and policies of the institution.
- Strive to obtain the maximum value for each dollar of expenditure.
- Decline personal gifts or gratuities.
- Grant all competitive vendors equal consideration insofar as state or federal and institutional policy permit.
- Conduct business with potential and current suppliers in an atmosphere of good faith devoid of intentional misrepresentation.
- Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.
- Receive consent of the originator of proprietary ideas and designs before using them for competitive purchasing purposes.
- Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a supplier, and/or be willing to submit any major controversies to arbitration or other third party for review, insofar as the established policies of the institution permit.
- Accord a prompt and courteous receipt insofar as conditions permit to all who call on legitimate business missions.
- Cooperate with trade, industrial and professional associations, and with governmental and private agencies for the purpose of promoting and developing sound business methods.
- Foster fair, ethical and legal trade practices

Donations

Donations to the College are submitted in writing and provide the value of the item(s) to the Mohave Community College Foundation, a non-profit organization. College employees may not accept donations.

Unauthorized Purchases

Unauthorized purchases may be considered a personal obligation and individuals making unauthorized purchases may be personally responsible for those purchases (ARS 34-154). Vendors regularly doing business with the College are aware of this policy and are advised that all purchases chargeable to the College must be authorized by an official College purchase order.

The College may choose not to reimburse employees for the cost of any purchase on behalf of the College when the date of the purchase is prior to the date of administrative and funding approvals. The College is not obligated to pay for unauthorized purchases. Unauthorized purchases become the personal obligation of the individual who made the purchase.

Gifts and Gratuities

College employees shall not accept personal gifts or gratuities from any past, present or potential supplier of goods or services to the College.

Federal Funding Compliance

Federal Guidelines

MCC adheres to all applicable federal procurement regulations. In the event of a conflict between federal regulations and MCC policies, the stricter policy will take precedence and govern procurement activities.

Cost Reasonableness and Record Keeping:

- Cost and Price Analysis (2 CFR 200.324): A thorough cost or price analysis is required for all procurement actions exceeding the simplified acquisition threshold of \$250,000.
- Documentation (2 CFR 200.318(i)): Procurement records must comprehensively document the procurement history, including the rationale for the selected method, contract type, contractor selection or rejection, and the basis for the contract price.

Conflict of Interest (2 CFR 200.318(c)):

- Avoiding Conflicts: No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by federal funds if there is a real or perceived conflict of interest.

Bonding Requirements (2 CFR 200.325):

- Construction and Facility Improvements: All bonding requirements must be fulfilled as stipulated by the federal grant agreement for construction or facility improvement contracts.

Debarment and Suspension (2 CFR 200.214):

- Contractor Eligibility: Contracts must not be awarded to parties that are debarred, suspended, or excluded from federal assistance programs.

Preference for Domestic Products and Inclusive Procurement:

- Domestic Preferences (Buy American) (2 CFR 200.322): When possible, preference should be given to domestic products, particularly for iron, steel, and manufactured goods.
- Supporting Minority and Women-Owned Businesses (2 CFR 200.321): Efforts should be made to actively include small, minority-owned, and women-owned businesses in procurement opportunities.

Procurement Organization

Basis for Procurement Procedures

All procurement conducted by MCC is governed by the following:

- A. State Statutes and/or
- B. MCC administrative policies and procedures.

Pursuant to Arizona Revised Statute 41-2501, political subdivisions are not subject to Arizona's State Procurement Code, although they may adopt all or some of the Code. All procurement conducted by Mohave Community College is governed by relevant Mohave Community College Policies that have been established through guidance from the Arizona State Procurement Code.

Assignment of Procurement Authority

As approved by the Governing Board, the President of the College shall serve as its Chief Executive Officer.

The President shall implement in administrative procedures, or other pertinent documents, purchase procedures which assure equitable treatment for vendors and contractors, and which protect the college from undue liability.

The President or those designated by the President shall be authorized to acquire, lease, lease/purchase and manage equipment, goods and services up to a total contract cost of \$75,000, providing the transactions are within the major object categories of the Board approved budget.

The President of the College shall further delegate procurement authority to an expressly designated procurement officer under his authority.

Delegation of Procurement Authority

The Governing Board and the President of the College shall delegate procurement authority to the Vice President of Administrative Services to commit College funds in the purchase of goods and services. Procurement authority is further delegated to the Chief Financial Officer and procurement staff.

Governing Board Approval

The Governing Board reserves the authority to approve certain types of agreements. All contracts and purchases exceeding \$75,000, excluding those funded entirely by grants or pass-through funds and standard operating insurance costs, must receive formal approval from the Governing Board prior to contract award or the issuance of a Purchase Order. Exceptions to the policy are listed below:

The Board will reserve authority to approve the following types of agreements:

- Cooperative agreements with outside entities requiring a significant commitment of College funds or that may impair the College's bonding capacity
- Leases involving a commitment of the College's funds in excess of the annual amount specified in Arizona Revised Statute §15-1444B-2 [or in excess of a total of \$75,000 over the original term].
- Real property leases or continuous use of College property by outside entities for commercial activity or for any activity that substantially increases the potential liability for the College or may impair its bonding capacity.
- Dual enrollment agreements where an intergovernmental agreement is not required
- Contracts in which the legal authority to proceed is not explicit in statute or confirmed through case law or Attorney General's opinion.
- Purchases described below:
 - A construction contract or construction consulting services contract, including those for architects and engineers, exceeding \$75,000.
 - Any purchase of a single piece of information technology equipment or software exceeding \$75,000.
 - Any purchase of services exceeding \$75,000, other than recurring annual services for support of College-wide systems or operations such as utilities, student services, equipment, or software maintenance.
- Purchases or sale of real property
- Agreements that by law must have Governing Board approval

Whenever there is a question of applicability to a particular purchase, the Vice President of Administrative Services, in consultation with the Chief Executive Officer, will make the final determination on approval requirements.

The Procurement Department will be responsible for identifying and making the requesting unit aware of any contract/purchase that will or may require Board approval. An initial determination of possible Governing Board approval requirements will be made by the Procurement Department when the Solicitation request is received. If the ultimate purchase will require Board approval, the Procurement Department will notify the Chief Financial Officer that Board approval will likely be necessary. The Procurement Department will notify the requesting unit upon receipt of a purchase request of the possibility of Governing Board approval being required. Once the solicitation responses have been received, the Procurement

Department will consult with the Chief Financial Officer or authorized designee to make the final determination on whether Board approval is required. If Board approval is deemed unnecessary, the Procurement Department must obtain a written approval of that determination from the Vice President of Administrative Services or authorized designee. The Procurement Director will work with the requester of the product or service to write up and submit a Governing Board Action Item to the Governing Board Secretary. A contract award or Purchase Order will not be issued until the purchase of the product or service has been approved by the Governing Board.

Authorization Levels

Informal Purchase	Informal Competitive Solicitation (3 quotes or Sole Source)	Formal Competitive Solicitation and Projects (RFP/RFQ)
Up to \$10,000	\$10,000 - \$75,000	\$75,000 +

Purchasing Authority Levels	
Department Heads, Associate Deans, Budget Managers, reporting to a Dean or higher	Up to \$5,000
Directors or Deans	Up to \$10,000
Vice Presidents & Chief Financial Officer	Up to \$50,000
President	Up to \$75,000
Board of Governors	\$75,000 +

Informal Procurement

Informal Purchases

A small dollar purchase is the purchase of a material or service that is under \$10,000 inclusive of tax or freight. Purchases of less than \$10,000 may be made at the discretion of the Procurement Department and do not require a bidding process.

Informal Competitive Solicitation

An informal competitive solicitation purchase is the purchase of equipment, supplies and services over \$10,000 but less than \$75,000 inclusive of tax or freight. The requisitioner shall, whenever possible, obtain *at least* three written price quotations for purchases in excess of \$10,000, but less than \$75,000. The price quotations shall be attached to the related requisition form. If three quotations cannot be obtained, documentation showing vendors contacted but not offering price quotations, or an explanation of why price quotations were not obtained, will be shown on or attached to the related requisition form.

Vendor Selection

The Procurement Department has the final authority for selection of the vendor. User departments are encouraged to suggest possible sources of supply, and purchasing transactions will be accomplished in close liaison with the requisitioner.

The formal competitive solicitation process utilizes sealed bids or proposals obtained for all goods and services with an estimated cost of \$75,000 or more, inclusive of tax or freight, unless the goods or services are available through a vetted Cooperative Contract. The requisitioner will assist the Procurement Department in developing specifications, quality standards and a list of potential vendors, if needed.

Contracts and purchases of \$75,000 or more shall require the approval of the College Governing Board.

Formal Procurement

Types of Formal Solicitations

Invitation for Bid (IFB) – Used when purchasing goods and services where the College knows exactly what needs to be purchased. There will be little, if any, variation between the scope of the contract from one vendor to the next. Generally, price is the sole award factor.

Request for Qualifications (RFQ) - Used when the scope of the project or needs are not clearly defined or when a solicitation requires an intended response that includes initial data about a firm or individual such as experience, references, and approach to the project. An RFQ process can create a list of pre-approved vendors so that when a project, good or services are needed, the pool of pre-qualified vendors will be notified to submit their proposal, streamlining the vendor vetting process. Pricing may not be required in the initial solicitation.

Request for Proposal (RFP) – Used when there is room for variation in the provision of goods and/or services and in solicitations with an intended response that is fairly detailed. If the Procurement Department determines in writing that the use of Invitation for Bids (IFB) is not practicable or advantageous to the College, or where a contract cannot be awarded on price alone, the College may use an RFP.

Request for Proposals differ from bids, in that the lowest bid (price) will NOT be the only determining factor for awarding a contract. Other evaluation criteria must be considered to ensure that the awarded contractor is deemed, as a whole, to be the most responsible, most responsive and able to meet the specifications outlined within the RFP. The evaluation criteria are generally developed using a grading or rating matrix that defines various areas of qualifications. These may include, but are not limited to, such areas as: experience, knowledge, certifications, manpower, and availability of resources, lead times, warranties and service response time. All areas deemed important for determining the supplier that would be most advantageous to the College must be considered.

In some circumstances, such as construction procurement, it may supplement an initial RFQ response. The technical and financial portions of the proposal response will be provided at the same time, but in separately sealed manner, to enable the committee to review the technical response separately and prior to the review of the financial proposal.

Specifications and Quality Standards

Specifications are descriptions of the physical or functional characteristics, or of the nature of a material, service or construction item. Specifications may include a description of any requirement for inspection, testing or preparing a material, service or construction item for delivery. The

quality of a product is determined by technical suitability and the economic consideration of price and availability.

The responsibility to determine specifications and quality standards for rests with the department responsible for the performance or use of the goods or services. All specifications shall seek to promote overall economy for the purposes intended and encourage competition in satisfying the College's needs and shall not be unduly restrictive.

The Procurement Department shall not use proprietary or restrictive specifications without the prior written approval of the President or his authorized designee. The use of a brand name only specification may be authorized by the President or his authorized designee only if he determines that only the identified brand name item will satisfy the College's needs.

It is the responsibility of the requisitioner to provide the Procurement Department sufficient specification criteria, clearly defining the product and/or service requirements. The specifications must be definitive enough to ensure satisfaction, and yet general enough to ensure competition among suppliers.

Public Notice and Vendor Lists

Adequate public notice of a formal solicitation or notices of the availability of a formal solicitation shall be made accessible by appropriate electronic means to a sufficient number of bidders for the purpose of securing competition. Public notice is given by posting on the Arizona Department of Administration's State Procurement Office website and/or on the MCC Procurement page. MCC's Procurement Department regularly uses the vendor list maintained and updated by the Arizona Department of Administration, State Procurement Office. Vendors who wish to receive solicitations for the College can register on the State website.

Where the vendor list is not sufficient to maximize competition, the Procurement Department shall develop a list. Use of established directories of manufacturers or suppliers is encouraged where applicable.

Formal Solicitation Format and Contents

A formal solicitation shall provide a form or format in which the bidder shall include the bid price and which the bidder shall sign and submit with all other necessary submissions. Additionally, a formal solicitation shall include the following:

- Instructions and information to bidders concerning the bid submission requirements including, time and date for receipt of bids, the address of the office to which they are to be delivered, and any other information.
- The purchase description, evaluation factors, delivery or performance schedule, and such inspection and acceptance requirements.

- The contractual terms and conditions, including warranty and bonding or other security requirements applicable to the procurement.

Telegraphic, telephone and facsimile transmissions are not acceptable for sealed bidding purposes. In some instances, the sealed bid may be submitted electronically through online Procurement software where the bid is unable to be “opened” until the time and date due.

Bidding/Proposal Timeline

The bidding/proposal timeline is the period of time between the date of distribution of the formal solicitation and the time and date for receipt of bids/offers. In each case a timeline that affords bidders a reasonable time to prepare and respond shall be set. A minimum of 21 calendar days shall be provided unless a shorter time is deemed necessary for a particular procurement as determined in writing by the Procurement Office.

Pre-Bid/Proposal Conferences

Pre-bid meetings may be conducted to explain the procurement requirements. If the meeting is not documented in the formal solicitation, it shall be announced to all prospective bidders known to have received the formal solicitation.

The conference shall be held long enough after the announcement to allow bidders to become familiar with the document, but sufficiently before bid opening to allow consideration of the conference results in preparing their bid. Generally, the receipt of bids will be no earlier than seven calendar days after the pre-bid conference. Any exceptions must be granted in writing by the Procurement Officer. Nothing stated at the conference shall change the formal solicitation unless the change is made by written addendum.

Amendments

Amendments to a formal solicitation shall be identified as such and shall require that the bidder acknowledge receipt of all amendments issued. The amendment shall reference the part of the formal solicitation that it amends.

All addenda shall be identified as such and sent to all bidders that have acknowledged receipt of the bid. The addendum shall require that the bidder acknowledge the receipt of the addendum.

Amendments/Addenda shall be issued within a reasonable amount of time for potential vendors to consider them in the preparation of bids/proposals. If the time and date set do not permit sufficient time for bid preparation, the date and time of the bid opening shall be extended in the addendum.

Withdrawal and Modification

A vendor may modify or withdraw its bid/proposal at any time before bid opening if the modification or withdrawal is received before the time and date set for bid opening in the location designated in the formal solicitation for receipt of bids.

All documentation relating to a withdrawal or modification of a bid shall be kept as part of the procurement file.

Late Bids/Proposals

It is the vendor's responsibility to ensure that their bids/proposals are received no later than the appointed time and place of the opening, as specified in the formal solicitation. Late bids/proposals will not be considered or opened.

Receipt of Bids/Proposals

Bids and bid modifications shall be received by appropriate staff, marked with the date and time of receipt and stored unopened in a secure location until the bid opening. Bids/proposals shall be opened publicly at the time, date and location advertised in the solicitation. The name of each vendor, the price, and other pertinent information shall be read aloud and recorded. A bid summary may be made available to the public for review after the award has been finalized, through the Freedom of Information Act (FOIA).

Mistakes and Informalities in Bids

Vendors or suppliers are responsible for the accuracy of their quoted prices. In the event of a discrepancy between unit price and its extension, the price or extension that best favors the College will govern. Bids may be amended or withdrawn by the bidder up to the bid opening. If an error is discovered after an opening, the Procurement Department may permit a bidder to correct the mistake if it is evident in the uncorrected bid.

The Procurement Department shall not permit a correction that is prejudicial to the College or fair competition. After an order has been issued, no bid may be withdrawn or amended unless the College considers the change to be in its best interest. The College reserves the right to reject any and all bids, or parts of bids, or to waive any informalities, and to select the bid that, in its opinion, best serves the needs of the College.

Bid Evaluation and Award (IFB & RFQ)

An award shall be made to the lowest responsive and responsible bidder whose bid meets, in all material respects, the requirements and criteria as defined in the formal solicitation. The amount of any applicable sales/use tax is not a factor in determining the lowest bidder.

Proposal Evaluation and Award (RFP only)

The Procurement Department may appoint an evaluation or advisory committee to assist in the evaluation of proposals. The Procurement Department and/or the evaluation committee shall evaluate proposals based on the evaluation criteria contained in the RFP. The use of a weighted grading system (that is, more points awarded for areas deemed the most critical) is highly encouraged. The Procurement Department shall not modify the evaluation criteria or their relative order of importance after proposal due and time.

The Procurement Department may conduct negotiations with responsible proposers to improve their proposals in such areas as cost, price, specifications, performance, or terms, to achieve best value for the College based on the requirements and the evaluation factors set forth in the RFP. Based on their negotiation with the College, proposers may revise their proposals and submit a Best and Final Offer (BAFO) in writing to the Procurement Department. BAFO's shall only be requested once by the Procurement Department.

The Procurement Department shall award the contract to the responsible proposer whose proposal is determined to be most advantageous to the College based on the evaluation factors set forth in the RFP.

Tie Bids (IFB only)

Tie bids are defined as instances of identical pricing from responsible bidders that meet all the requirements as set forth in the bid documents. Tie bids may be awarded by drawing lots or any other random choice manner. Care shall be taken by the College to ascertain that the tie bidders meet all requirements as outlined in the formal solicitation document before declaring a tie bid situation.

Records and methods of determining the successful bidder shall be maintained in the procurement file.

Single Bids/Proposals

In instances of only one bid/proposals being received, a determination must be made by the Procurement Officer that the bid submitted is fair and reasonable and that other prospective vendors had time to respond and that re-solicitation is not possible due to time constraints. In those instances, the determination will be made in writing and retained in the procurement file.

If it is determined in writing by the Procurement Department that the need for the product or service continues and that the acceptance of the single bid is not advantageous to the College, then the Procurement Department may reject the bid and either resolicit for new bids; cancel the procurement; or use a different source selection method authorized by the College.

Confidentiality in Bid/Proposal Submission

Only after formal award of the bid/proposal, shall the bids/proposals be made available for public inspection. All bids/proposals received for a solicitation become public information following contract award. Vendors are to clearly mark in their bid documents PRIOR to submission any “confidential” or “proprietary” information and when possible cite the appropriate rule. When respondents mark the documents as such, the Procurement Officer will determine whether the information is truly confidential. If it is not proprietary information, the information will not be considered confidential and will be released if requested.

Information deemed proprietary in nature by the vendor and approved as such by the College, shall not be included in the materials available for public inspection. Only the submitted bids/proposals will be retained in the procurement folder.

Cancellation of Procurement Process

Procurement may cancel a request for qualifications or a request for proposals or reject in whole or in part any or all submissions of qualifications or proposals as specified in the solicitation if it is in the best interest of the College. Procurement shall make the reasons for cancellation or rejection part of the file.

Special Source Selection Methods

Sole Source Procurement

A Sole Source procurement may be allowed when there is only one source available for the required material, service or construction item. The Procurement Department may award a sole source order if it is determined that:

- The items or rates are fixed by law, or;
- The items are specifically stipulated by grantors for grant projects, or;
- The items have unique features that are essential and not available from any other source or must be compatible with existing equipment, or;
- Other buying situations may qualify for sole source based on the nature of the item or service, its usage, product testing or prior decisions based on competition.

The following is a partial list that may qualify for sole source

- Copyright, or published materials only available from the source;
- When a requirement exists to use authorized parts available only from the product vendor;
- Utility services, software licensing/maintenance, licenses or expenses associated with accreditation programs.

Sole source procurements are to be avoided unless no other alternative exists. Final responsibility in determining sole source purchases rests with the Procurement Department and requires the approval of the Chief Financial Officer and/or designee prior to purchase. Documentation will be required from the requisitioner to justify purchase of sole source items. The approved Sole/Single Source Form must be attached to the Requisition.

Emergency Procurement

The Chief Financial Officer or designee may make, or authorize others to make, emergency purchases. Generally, emergency order procedures will not be used unless the savings realized by normal procurement practices would be offset by a corresponding or greater loss to the department as a result of the delay. Such transactions may be made without price competition and limited only to what is necessary to solve the emergency situation. The requisitioner's department head must submit proper documentation, justifying the need for any emergency purchase.

Other Procurements (Single Source)

The College should incorporate as much competition as is feasible and negotiate a suitable agreement when pursuing the following procurements:

- Printing of publications and forms that involve proprietary art work or repeat orders where the vendor has retained the design or format.
- Testing services, seminars, workshops, reports, other services etc., based on vendors' professional qualifications.
- Maintenance, service, supplies and parts that are required by contract, warrantee or to ensure system integrity.
- Material or equipment selected after a test of competitive brands.
- Expenses associated with training or educational courses provided by the College. Instructional courses are selected based on capability, course content and teaching ability by appropriate college administrators.
- Media or newspaper advertising which is based on area covered or target audience.
- Extension of an existing commodities or services contracts determined to be in best interest of the College.
- Membership dues and subscriptions.
- Equipment rentals based on equipment availability.
- Purchase of used or reconditioned equipment when determined to be the best value for the College.
- Procurement of real estate.

Intergovernmental Procurement

The College may enter into purchasing agreements with the State of Arizona, School Districts and other governmental agencies for the purpose of joint bidding and utilization of existing contracts. This method of purchasing will meet all criteria for obtaining effective competition. Intergovernmental Agreements require the approval of the College Governing Board.

Educational/Institutional Cooperatives

The College may utilize existing or future Educational/ Institutional Cooperative contracts for the purchase of supplies, equipment and services, providing these Cooperatives solicited bids or proposals utilizing the appropriate provisions in accordance with the Arizona Revised Statutes.

State Procurement Contracts

Contracts of the State Procurement Office for the procurement for certain supplies and equipment are available for the College to use. These contracts will be used when they are in the best interest of the College.

The purchase of items from State Contract does not require additional competitive bidding, as a sealed bid process already has determined vendors and pricing, however the College may choose to do so.

Procurement of Construction Services

Construction Procurement Limits

Construction procurements of less than \$75,000 may be made at the discretion of the Chief Financial Officer. Competition for construction procurements should be encouraged to the maximum extent possible.

The Procurement Department shall obtain sealed competitive bids or proposals for all construction that have an estimated cost of \$75,000 or more. Contracts and construction of \$75,000 or more shall require the approval of the College Governing Board.

Construction Delivery Methods

Construction procurement shall be conducted in accordance with all Governing Board Policies and College procedures. The College may procure design services, construction and construction services, as applicable, under any of the following project delivery methods:

Design-bid-build - Design-bid-build is a process in which separate procurements are conducted for architect/engineer services and general construction. The design provided by the architect/engineer is utilized as part of the bidder document for the general contracting services.

Construction-manager-at-risk - A construction-manager-at-risk acts as a general contractor at the contracted-for price and provides consultation to the institution regarding construction during and after the design of the facility. The construct manager takes on project risk, usually with a contract that has a guaranteed maximum price.

Design-build - Design-build is a method of contracting in which a single contract is created with a firm or group of firms in partnership to build or renovate a building or group of buildings. The intent is for the architect/engineering professional to work more closely with the general contractor or subcontractors to provide a single source of responsibility for the design and construction of the project. This contrasts with the separate contracts with architects/engineers and general contractor involved in the standard design-bid-build or construction-manager-at-risk.

Job-order-contracting - Job-order-contracting is a construction contract used for new construction, maintenance rehabilitation, and alterations of a recurring nature but which is of an indefinite delivery and indefinite quantity. The job-order-contract shall include a comprehensive compilation of detailed real property repair, rehabilitation, alteration, maintenance, and minor construction task descriptions or specification, a pre-determined and agreed upon pricing, discount coefficient or mark-up pricing structure.

Design-Bid-Build Procurement Method

For the design-bid-build project, the College shall procure the Design services for Architect, Engineer, Land Surveying and related professional services involved in planning, design, construction and renovation of facilities for the College. The IFB or RFP process shall be utilized, except as otherwise provided in the Sole Source Procurement Section and Emergency Procurement Section.

For the procurement of Architect, Engineer, Land Surveying and related professional services, the Chief Financial Officer and/or Procurement Department shall assign an evaluation or advisory committee which shall independently evaluate and score submittals received from the firms or individuals responding to the College's RFP. If possible, the evaluation or advisory committee may conduct discussions with a short-list of at least three of the highest scoring firms or individuals.

Construction-Manager-at-Risk, Design-Build and Job-Order-Contracting Procurement Method

The College shall procure design and/or construction services under the construction-manager-at-risk, design-build and job-order- contracting project delivery methods according to the Alternative Construction Procurement Methods as stated below. Exceptions are those instances in which Sole Source Procurement or Emergency Procurements apply.

For job-order-contracting construction services projects, if the College does not include design services in the job-order- contracting construction services contract, the College shall procure any design services relating to job-order-contracting construction services projects under the contract according to the Procurement of Professional Services Section.

For purposes of this section, "construction services" includes: construction-manager-at-risk construction services, design-build construction services, and job-order-contracting construction services. These may or may not contain a professional services component. "Professional services" includes architect services, engineer services, landscape architect services, assayer services, geologist services, land surveying services, material or special testing services and any combination of those services, provided by a registered professional.

Public Notice and Vendor Lists

Adequate public notice of a formal solicitation or notices of the availability of a formal solicitation shall be made accessible by appropriate electronic means to a sufficient number of bidders for the purpose of securing competition. Public notice is given by posting on the Arizona Department of Administration's State Procurement Office website and/or on the MCC Procurement page. MCC's Procurement Department regularly uses the vendor list maintained and updated, by the Arizona

Department of Administration, State Procurement Office. Vendors who wish to receive solicitations for the College can register on the State website.

Where the vendor list is not sufficient to maximize competition, the Procurement Department shall develop a list. Use of established directories of manufacturers or suppliers is encouraged where applicable.

Proposal Evaluation

The Chief Financial Officer and/or Procurement Director shall assign an evaluation or advisory committee, which shall independently evaluate and score proposals and qualifications submitted by the firms or individuals. The Chief Financial Officer and/or Procurement Director shall determine the makeup of the evaluation or advisory committee for all contracts that include construction services. For projects that include construction, the evaluation or advisory committee may have one person or more who is a senior management employee of a licensed contractor and shall have one person who is an architect or engineer registered to practice in the State of Arizona. The contractor or design professional may be an employee of the College.

Outside contractors, architects and engineers serving on an evaluation or advisory committee shall not receive compensation beyond a reasonable gratuity from the College for performing these services, and the College may elect to reimburse them for travel, lodging and other expenses incurred in connection with the service on the evaluation or advisory committee. Reimbursement shall be at a rate not greater than the standard rate authorized for College employees on College related travel. A person who is a member of the evaluation or advisory committee shall not be a contractor under the contract or provide construction, construction services, materials or other services under the contract.

If outlined in the solicitation, the evaluation or advisory committee shall attempt to conduct discussions with at least three of the highest scoring firms or individuals. Discussions shall be for the purpose of clarification to assure full understanding of the project and responsiveness to the solicitation requirements. Information from proposals submitted and discussions held shall not be disclosed to competing vendors. If only two firms or individuals respond to the solicitation, the committee may proceed with the selection process or Procurement may re-solicit for additional proposals. If only one firm or individual responds to a solicitation for professional services, the selection committee may choose to proceed with the process with that firm or individual if Procurement determines in writing that the fee negotiated as a result of the process is fair and reasonable and that other firms and individuals had a reasonable opportunity to respond, or if there is not adequate time for a re-solicitation.

One-Step Competitive Process

The Procurement Director shall enter into contract negotiations with the highest qualified firm or individual for the professional services or construction services, determined by the evaluation process, as a result of engaging in the Request for Proposal process, see Formal Procurement section. Negotiations shall include fees as well as other contractual terms and conditions deemed fair and reasonable and important to the College. The Procurement Director shall consider the estimated value, scope, complexity and nature of the procurement.

If the Procurement Director is unable to negotiate a satisfactory agreement with the firm or individual considered to be the most qualified, then they shall terminate those negotiations and undertake negotiations with the next most qualified firm or individual in sequence until an agreement is reached. If a construction contract is entered into as a result of this process, construction shall not begin until the Procurement Director and the contractor agree in writing on a price for the construction portion of the contract and that price is approved by the President and Governing Board when applicable.

Two-Step Competitive Process

For design-build construction services or job-order-contracting, as an alternative to the one-step competitive process outlined above, procurement may engage in the Request for Proposal process, see Formal Procurement section, with those firms or individuals short-listed as a result of the evaluation process outlined above.

Formal Solicitation Format and Contents

The Request for Proposal (RFP) formal solicitation shall provide a form or format in which the bidder shall include the bid price and which the bidder shall sign and submit with all other necessary submissions. Design-build construction services and job-order-contracting construction services solicitations shall require:

- For design-build construction projects, the project schedule, project final design and construction budget or life cycle budget.
- For design-build construction services only, if the RFP specifies the College will spend its project budget and not exceed that budget, and thus is seeking the best proposal for the project budget.
- A statement that the contract will be awarded to the firm or individual whose proposal receives the highest number of points under the scoring system.
- A description of the scoring method, including a list of factors in the scoring method and the number of points allocated to each factor. Those factors may include: proposer's qualifications, financial capacity, proposed compliance with the College's project request, quality management plan.
- A requirement that each proposer submit separately a technical proposal and a price proposal and that the proposer's entire proposal is responsive to the RFP. For design-build

construction services, the price in the proposal shall be a fixed price or a guaranteed maximum price.

- A statement that the evaluation or advisory committee will separately evaluate the technical proposal and the price proposal, and that they will evaluate and score the technical proposal before opening the price proposal.
- Any other evaluation factors as determined by the College. For design-build construction services only, demonstrated compliance with the design requirements.

Additionally, a job-order-contracting construction services solicitation shall require:

- The dollar amount of an individual job order shall not be more than two hundred thousand dollars (\$200,000). Requirements shall not be artificially divided or fragmented in order to constitute a job order that satisfies this requirement.
- If the contractor subcontracts or intends to subcontract part or all of the work under a job order and if the job-order construction services contract includes descriptions of standard individual tasks or standard unit prices for standard individual tasks, then: the contractor has a duty to deliver promptly to each subcontractor invited to bid, a copy of the descriptions and the standard unit prices of all standard individual tasks on which the subcontractor is invited to bid.
- The contractor has a duty to promptly provide a copy of the description, the number of units, and the standard unit price of each standard individual task that is included in the job-order to each subcontractor that has agreed to do any of the work included in any job order.

Proposal Award

Best and Final Offer submittals may be requested of any or all finalists. These submittals shall contain both technical and financial information. The final technical proposals shall be evaluated and scored first before opening and evaluating and scoring final financial proposals.

The Procurement Department shall award the contract to the responsive and responsible vendor whose proposal receives the highest scores.

For design-build construction services only, the College may award a stipulated fee equal to a percentage of the College's projected final construction budget, as prescribed in the RFP, but not less than two-tenths of one per cent of the project final construction budget to each short-listed vendor who provides a responsive, but unsuccessful, proposal.

Confidentiality in Bid/Proposal Submission

Until award and execution of a contract by the College, only the names of each firm or individual on the short list may be made available to the public. All other information received by the College in response to the request for qualifications or contained in the proposals shall be confidential in

order to avoid disclosure of the contents that may be prejudicial to competing vendors during the selection process. The proposals shall be open to public inspection after the contract is awarded and the College has executed the contract. To the extent that the vendor designates and the Procurement Director concurs, trade secrets and other proprietary data contained in a proposal shall remain confidential.

Cancellation of Procurement Process

Procurement may cancel a request for qualifications or a request for proposals or reject in whole or in part any or all submissions of qualifications or proposals as specified in the solicitation if it is in the best interest of the College. Procurement shall make the reasons for cancellation or rejection part of the file.

Registration, Licensure and Project Definition

The successful contractor for construction-manager-at-risk, design-build or job-order-contracting construction services is not required to be licensed to perform construction pursuant to title 32, chapter 10 of the Arizona Revised Statutes, if the firm performing the construction on behalf of the contractor is appropriately licensed.

Each project under a design-build construction services contract or a construction-manager-at-risk construction services contract shall be a specific, single project. For the purposes of this paragraph, “specific, single project” means a project that is constructed at a single location, at a common location or for a common purpose.

Prohibition against Competing with Private Firms

Notwithstanding anything to the contrary in this procedure, the College shall not:

- Enter into a contract as a contractor to provide construction-manager-at-risk construction services, design-build construction services or job-order-contracting construction services to others.
- Contract with itself, with another College, with the state or with any other governmental unit of the state or the federal government to provide construction-manager-at-risk construction services, design-build construction services or job-order-contracting construction services for itself.
- The prohibitions prescribed in this section do not prohibit the College from providing design or construction services for itself as provided by law.

Procurement of Professional Services

Architect, Engineer, Land Surveying and Related Services

For procurement of these professional services of architect, engineer, land surveying, and related professions involved in the planning, design, construction and renovations of facilities for the College, the Procurement Department shall assign an evaluation or advisory committee which shall independently evaluate and score submittals received from firms or individuals responding to the College's RFQ. If possible, the evaluation or advisory committee may conduct discussions with a short list of at least three of the highest scoring firms or individuals.

Regulatory guidelines regarding bid security, progress payments, performance and payment bonds, change orders, etc. will be included in each individual solicitation as requirements may vary by project.

Procurement of Other Professional Services

Professional services such as clergy, physicians, dentists, legal counsel, or certified public accountants shall be solicited through a Request for Proposals (RFP) process, see Formal Procurements section. The RFP shall describe the services required and list the type of information and data required of each vendor. The Procurement Department may conduct discussions with any vendor who submits a proposal to determine the vendor's qualifications for further consideration. The Procurement Department's discussion shall not disclose any information derived from proposals submitted by other proposers.

The award shall be made to the proposer determined in writing to be best qualified based on the evaluation factors set forth in the RFP and after a written determination that the compensation is fair and reasonable.

Procurement of Consultants/Independent Contractor Services

When specialized skills, knowledge, resources and experience are needed that cannot be provided reasonably by existing staff, such services may be obtained from firms or individuals outside the College on a fee-for-service or Consultant/Independent Contractor basis. Consultants/Independent Contractors may include, but are not limited to, consultants, entertainers, artists, lecturers, research, surveys and studies. Procurement of consultants/independent contractors shall require a rationale and written request submitted to, and approved by, the Chief Financial Officer.

The contract should require the performance of a task, project or study to be completed within a given time frame. The relationship with the College is that of an independent contractor, and the College has no right to supervise or control how the work required by the contract is done. The independent contractor is solely responsible for the results specified by the contract.

A properly executed contract shall authorize payment for entertainer fees. In order to expedite payment to the entertainer (to meet many entertainers' requirements for payment immediately after the performance), an Independent/Professional Services contract shall be approved and signed by the Chief Financial Officer or designee at least 10 days prior to the performance. The procurement of consultants/independent contractors is governed by Section 5.200-C of the Policies and Procedures Manual and Internal Revenue Service regulations.

Protest of Solicitations and Contract Awards

Content of Formal Protest and Appeal Letter

Any participating bidder may file a protest of a contract award or proposed contract award. The protest or appeal must be in writing and contain at least the following information:

- The name, address and telephone number of the protester
- The signature of the protester
- The Bid number and date of bid closing
- A statement of the legal and/or factual grounds on which the protest or appeal is based, including copies of information relevant to the bid
- The form of relief requested.

File Procedures

Protests are to be filed with the Procurement Department within 10 calendar days of Notice of Award. Failure to timely protest shall be deemed a waiver of all rights to protest.

If a protest is filed before the award of a contract, no award shall be made until the protest has been administratively resolved, unless the Chief Financial Officer or designee makes a written determination that the award of the contract without delay is necessary to protect substantial interests of the College.

A written decision will be made within 10 calendar days after the protest has been filed. The decision shall contain an explanation of the basis of the decision. The Procurement Department shall furnish a copy of the decision to the protester by certified mail, return receipt requested, or by any other method that provides evidence of receipt.

The time limit for a decision may be extended by the Procurement Department for a reasonable time not to exceed 30 calendar days. The Procurement Department shall notify the protester in writing that the time for the issuance of a decision has been extended and the date by which a decision will be issued.

Protest Remedies

If the Procurement Department sustains the protest in whole or in part and determines that a solicitation, proposed contract award, or contract award does not comply with College policies or procedures, the Procurement Department shall implement an appropriate remedy.

In determining an appropriate remedy, the Procurement Department shall consider all the circumstances surrounding the procurement or the proposed procurement, including, but not limited to, the seriousness of the procurement deficiency, the degree of prejudice to other interested parties or to the integrity of the procurement system, the good faith of the parties, the extent of performance, cost to the government, the urgency of the procurement, and the impact of relief on the College's mission.

An appropriate remedy may include one or more of the following:

- Decline to exercise an option to renew under the contract;
- Terminate the contract;
- Reissue the solicitation;
- Issue a new solicitation;
- Award a contract consistent with College policies and procedures;
- Reject all bids or proposals without further actions;
- Other relief as determined necessary to ensure compliance with College policies and procedures

Appeals

Appeals are to be filed with the Procurement Department within 5 calendar days of the receipt of the decisions. The notice of appeal shall contain:

- The information from the original protest letter, a copy of the College's decision, and the basis for the appeal.

The Procurement Department shall immediately give written notice of the pending appeal to the successful contractor if award has been made or, if no award has been made, to interested parties. Any party so notified shall, upon request, be furnished with a copy of the notice of appeal filed in the matter.

The President or Chief Financial Officer shall notify the Governing Board of the appeal. Any hearing or appeal shall be conducted by the Governing Board or its designee as hearing officer and a written decision will be made within 14 calendar days after the appeal has been filed. The time limit for a decision may be extended by the hearing officer for a reasonable time, not to exceed 30 calendar days. The hearing officer shall notify the protester in writing that the time for issuance of a decision has been extended and the date by which a decision will be issued.

Stay of Procurement During Appeal

If an appeal is filed before an award of contract and the award of the contract was stayed by the Procurement Department, the filing of an appeal shall automatically continue the stay unless the hearing officer conducting the appeal makes a written determination that the award of the contract without delay is necessary to protect the substantial interest of the College.

Dismissal Before Hearing

The hearing officer conducting the appeal shall dismiss, upon a written determination, an appeal before scheduling of hearing if the appeal does not state a valid basis for protest; or the appeal is untimely.

Appeal Remedies

If the hearing officer sustains the protest in whole or in part and determines that a solicitation, proposed contract award, or contract award does not comply with College policies or procedures, the hearing officer shall implement an appropriate remedy. An appropriate remedy may include one or more of the following:

- Decline to exercise an option to renew under the contract;
- Terminate the contract;
- Reissue the solicitation;
- Issue a new solicitation;
- Award a contract consistent with College policies and procedures;
- Reject all bids or proposals without further actions;
- Other relief as determined necessary to ensure compliance with College policies or procedures.

Contract Administration

Contract administration includes all the administrative activities associated with the handling of contracts. The Procurement Department shall be responsible for contract activities such as storage and contract renewal dates. The Business Service Department and/or the Chief Financial Officer are responsible for contract renewal, monitoring contract relationship, addressing contract related problems, incorporating necessary changes or modifications in the contract, ensuring both parties meet or exceed each other's expectations, actively interact with the contractor to achieve the contract's objective(s) and approval of payments to the contractor.

Procurement Record Maintenance and Retention Policy

All procurement records will be retained and disposed of in accordance with records retention guidelines and schedules approved by the Department of Library, Archives and Public Records, and the Arizona State Procurement Department.

Monitoring Contractor Performance and Corrective Actions

The affected department in conjunction with the Procurement Director shall ensure that the contractor(s) perform in accordance with all terms and conditions and requirements of the contract. They should review the scope of the contract and contractor performance issues such as delivery, responsiveness and service. If there are contractor non-performance issues, the department or Chief Financial Officer should document the event and resolve the issues through formal discussions with the contractor.

Contract Modification, Termination and Closeout

During the term of the contract, it may be necessary to allow contract changes or modifications to meet the changing needs of the parties.

Contractor requests for contract changes should follow the approval requirements of the contract, unless the changes were mere corrections to errors made against what was originally authorized.

The contract may be modified only through a contract amendment within the scope of the contract. Changes to the contract, including the addition of work or materials, the revision of payment terms, or substitution of work or materials, directed by a person who is not specifically authorized by the President or Chief Financial Officer or made unilaterally by the contractor are violations of the contract and applicable law.

The college reserves the right to terminate a contract, in whole or in part at any time when the contractor fails to comply with any term or condition of the contract or when it is in the best interest of the College, without penalty or recourse. Upon receipt of the written notice, the contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the College. All documents, data, and reports prepared by the contract under the contract shall become property of and be delivered to the College upon demand. The contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination.

Contract closeout begins when all the terms, conditions and requirements of the contract have been completed or the contract has reached the end of its term, including any extension options. Contract closeout is complete when all administrative actions have been completed, all disputes settled, and final payment has been made.

Requisitions

Request for Purchase

The initial tool to initiate a purchase is a requisition. A requisition serves a dual purpose: it provides a clear and complete description of the purchaser's need and it transmits authority to the Procurement Department to expend the purchaser's funds.

The requisition by itself, however, is not a legal document and cannot be used to authorize a vendor to provide materials or services to any person or department within the College, nor can it be used to process payment of an unauthorized transaction.

Approval is required at the appropriate approval levels for requisitions. Requisitions cannot be used for salaries, wages, or benefits.

The budget office provides each department with access to reports showing current expenditures, encumbrances and balances. It is the responsibility of each budget manager and purchaser to monitor account balances.

All funds deposited with the College, regardless of source, are public funds and must be handled in accordance with College guidelines.

Each department is assigned an account number. All requisitions must include the complete -16-digit account number to be charged. Each department budget manager or their assistant enters the necessary information for an order in the on-line electronic system. The system routes the requisition electronically to the proper individuals for approval. The final step of the approval process is the creation of the official purchase order. Purchases made without proper authorization may become the responsibility of the buyer.

The practice of issuing a series of requisitions in any 90-day period to the same vendor for the same commodity or service in order to avoid the appropriate competitive solicitation or the approval process is prohibited.

The system will automatically check for budget capacity. If budget capacity is available the requisition may be approved. Funds will be encumbered to reflect a reduced budget capacity.

Requisitions for Service and Maintenance Contracts

Requisitions for all equipment maintenance contracts should be submitted to the Procurement Office at least 30 days prior to the contract expiration date. All requisitions must contain the machine model number, serial number and the location of equipment. Warranty information, including coverage and expiration, is the responsibility of the user/department.

If an item is covered by a warranty or service contract, it is the responsibility of the user department to call the manufacturer or service company. A requisition for repair is not necessary. If the item is not covered by a warranty or service contract, a requisition for the repair will be submitted which will include the make, model, inventory number (if applicable), and location of the item.

Once a purchase order has been generated, the user department may then arrange to perform the repairs or maintenance with the service company. When service has been completed and the user department is presented with a repair slip or invoice, the slip/invoice must be signed, dated, ensure the PO number is identified and forwards all documentation immediately to accounts payable.

The President and/or Vice President of Administrative Services shall sign all contracts (excluding purchase orders), agreements, leases, lease/ purchases or rental agreements on behalf of the College. Signed documents shall be forwarded to the vendor with a purchase order.

Blanket Orders

Blanket orders are issued for a specified time period at an estimated total dollar amount to encumber funds, and/or establish a purchasing arrangement with a vendor for a period of time

(e.g., monthly, quarterly, annually) for orders of miscellaneous items or recurring order of small value items.

NOTE: Departments using blanket orders must ensure expenditures do not exceed the funds encumbered.

Contract Blanket Orders

Contract blanket orders are used to purchase supplies or secure services when the cost covered by the blanket order has been established. Normal competitive purchasing methods are used to select vendors/suppliers. The Procurement Department has determined a fixed price, terms, conditions, and duration of the transactions.

Personal Orders

Other than purchases approved under the Computer Literacy Incentive Program (CLIP), purchases for employees' personal usage shall not be allowed.

Purchasing Card (P-Card) Purchases

When authorized by the College, P-Card purchases may not require issuance of purchase orders. The Business Services Department shall oversee the P-Card program and is responsible for the following:

- Issuing P-Cards
- Conducting P-Card training to qualified College employees.
- Regularly monitoring P-Card use by College employees.
- Ensuring that P-Cards are solely used for authorized College expenditure incurred while conducting College business during authorized duty hours.
- Ensuring that P-card users complete annual training.

See separate P-card manual for more information. P-card manual to be updated as necessary.

Receiving, Invoicing and Shipment Products and Services

Invoices

The College will only pay vendors after the receipt of the goods or services and the receipt of an invoice. Invoices should be immediately forwarded to the Accounts Payable Department at accountspayable@mohave.edu with authorization to pay and MCC Purchase Order number included.

Changes or Cancellations

If an order must be changed, notify the Business Services Department, justifying the need to cancel and/or reorder. (Orders involving custom work or unique specifications may require authorization from the vendor). Any Purchase Order that has been delivered constitutes a contract between the College and the vendor. It may not be broken arbitrarily by either part. One acceptable reason for cancellation is unreasonable lapse of time between order and delivery.

Receiving Goods/Delivery

Shipments are ordinarily delivered to the central warehouse at the Neal Campus Kingman, while the other three campuses receive through the Facilities Department. A copy of the packing/delivery slip will be sent to the requisitioner.

If delivery is made directly to the requisitioner, the merchandise must be inspected for damage or problems and reported to the central warehouse and accounts payable. The packing/delivery slip must be signed, dated and immediately forwarded to Accounts Payable.

Incorrect/Damaged Shipments

If a requisitioner is in receipt of a shipment that is incorrect or damaged, the procurement and accounts payable departments must be immediately notified followed by a written confirmation listing the following:

- Purchase order number
- vendor name
- the problem with the shipment.

The Procurement Department will contact, or may authorize the user to contact, the vendor and request a return authorization for the return and/or exchange of the incorrect materials. Use the RETURNED MERCHANDISE FORM to facilitate this process.

Departments are not to return shipments to vendors without first notifying the Procurement Department to ensure that all credits due are obtained. If a shipment is returned to a vendor without proper authorization, it is likely that the vendor will not know the reason for the return and may refuse to accept the shipment.

There may be a restocking charge assessed to the department when items ordered in error are returned. When return authorization is received, the Procurement Department and/or accounts payable will advise the requisitioner of any restocking charge.

Duplicate Shipments

Duplicate shipments are handled in the same basic manner as are incorrect shipments. The procurement and accounts payable must be notified immediately if a duplicate shipment is received. This will avoid the possibility of making a duplicate payment. The Procurement Department will then ensure that the duplicate is returned (through the steps previously outlined) and that credit is issued to offset the duplicate charges.

Freight Damage Claims

To ensure that a freight claim can be filed on merchandise that arrived damaged each item is to be unpacked and inspected as soon as it arrives. In the event that damage is found, the Procurement Department and accounts payable must be given the following information:

- Purchase Order Number
- Packing slip or invoice number
- Date received
- Nature and extent of damage
- Whether or not the freight bill was marked “damaged”
- Notation of hidden damage

The cartons and packing material must be saved for the freight inspector to examine. This is needed to enable an inspection report to be filed.

Hidden damage must be reported within 48 hours of delivery on campus for a freight claim to be filed in a timely manner.

Other Procurement Procedures

Contracts, Agreements and Leases

All contracts for goods and services, vendor agreements, software licenses and other documents containing terms and conditions binding the College require the approval and signature of the President and/or Vice President of Administrative Services, or designee. If these documents are signed without proper authority, both legal and financial difficulties may result for the unauthorized signatory and the College. Agreements, contracts, leases, lease/purchases or rental agreements of \$75,000 or more may require approval by the College Governing Board (see Governing Board Approval).

In all cases involving lease agreements, an analysis should be made to determine the economic soundness of whether the goods or services should be leased or purchased.

When possible, lease or lease/purchase agreements should have a cancellation provision which allows the College to discontinue such agreements if future appropriation funding from appropriate budget authority is reduced or deleted.

Regardless of the time period involved in these agreements, a formal purchase order will be issued. The purchaser must define the type of agreement on the requisition, indicating whether it is a new or renewal agreement. A copy of the agreement shall accompany the requisition.

Product or Equipment Warranties

Product or equipment procured by the College should be fully guaranteed by the contractor for a minimum period of one year from the date of acceptance by the College.

It is the responsibility of the user/purchaser's department to ensure that warranty information cards that are included with products or equipment, received by those departments, are filled out completely and sent back to the manufacturer or processing center in a timely manner.

For an additional charge, many manufacturers include the option of extended warranties on their products or equipment. It will be the determination of the requisitioning department whether to recommend this option. This may be done at the original time of purchase, included as an additional line item, or done later as a separate purchase.

Rebates

Rebate cards/information shall be completed by the requisitioner and attached to the requisition. Rebate information must be clearly stated on the requisition and purchase order. All rebate checks are to be made payable to Mohave Community College and not to individual employees. Under no circumstances may employees' cash rebate checks issued for college purchases. All rebate checks must be sent to the accounts payable department.

Official Functions

An Official Function is an activity authorized by the Chief Financial Officer or the College President to support and further the mission, goals and objectives of the College. The general rule is that the College will not approve expenditures for food, beverages, decorations and/or facilities for College meetings or social events. Recognizing that in certain circumstances the provision of meals or refreshments is appropriate and in the best interest of the College and public, exceptions are permissible within the following guidelines:

- Professional development or other staff activities/events in which an entire employee group or major segment of the group is involved. (Examples: Annual Staff meeting, Orientation for Associate Faculty. Departmental/division meetings are NOT eligible).
- An activity at which the College acts as host to invited guests from outside the College (Examples are Commencement, Career Fair, Senior Day, Advisory Committees. Providing food/beverages for interview committees and applicants are not eligible).
- College Governing Board meetings/retreats.
- Approval may be granted for use of facilities both on- campus and off-campus. Use of off-campus facilities requires advance approval of the President.
- The President, on a case-by-case basis, may approve food requests for events not included in the guidelines
- Alcoholic beverages may not be purchased with College funds and these costs are not reimbursable

Auxiliary funds may be used for food, non-alcoholic beverages, and decorations, etc., provided the funds have been appropriated from established budgets. Requisitions for Official Functions must be approved by the Chief Financial Officer and/or President regardless of the dollar amount.

Capital Equipment Purchases

Equipment purchases of \$5,000 or more must be purchased from Capital Outlay Funds. Criteria for capitalization of equipment include the following:

- The item must have a unit cost of \$5,000 or more, including tax, shipping, and set-up costs.
- The item must have a life-cycle expectancy of two years or more (not a consumable item).
- The item must be repairable.
- Computer software with a cost of \$5,000 or more must be purchased from Capital Outlay Funds.

Sales/Use Taxes

The College is responsible for the payment of all applicable sales or use taxes, as required within the State of Arizona. Taxes should be added to requisitions.

Supplies

General office supplies are available through the College's current office supplies contractor. Contact the Procurement Department for details.

Materials Management

MCC makes a significant investment in materials and property used to support its mission and strategic plan. Business Services is charged with ensuring that MCC properly acquires, accounts for, and disposes of these items. All materials and property are owned by MCC and not a specific individual. However, college employees are responsible for protecting MCC property and are accountable for the care, maintenance, and safe keeping of assets.

Storage and/or disposal of MCC property (equipment, materials, and supplies, including scrap and waste) no longer needed by the College shall be handled in accordance with College procedures and in a manner consistent with the state statutes. College procedures are intended to relieve congestion in limited storage space, maximize return to the College while avoiding unnecessary use of college resources, and provide a cost-effective method of disposal. The disposal of property will occur at regular intervals to ensure the best use of campus storage spaces. At no time shall said disposition result in a monetary benefit, direct or indirect, for a college employee. Materials and property can be identified and authorized for disposal as follows:

Surplus Property

Surplus items are those that no longer have any use to the College or those that are in excess of the needs of the College, but may have a residual value. Most property identified for disposal will fall under this category. Surplus items may be traded-in for new equipment, donated to another educational or nonprofit institution, held for future use, or disposed of by public sale.

Exceptions may be made as deemed appropriate by the President.

1. Complete the DISPOSITION OF PROPERTY FORM.
 - a. Trade-ins: Attach a document that explains the details of the trade-in offer.
 - b. Donations: Attach a letter, on official letterhead, from the organization to which items will be donated, formally requesting the items and explaining the proposed use.
2. Once the disposal of the item(s) is approved, complete a work order/IT ticket to arrange to transfer the physical custody of the items to the facilities department/information technology department until use is determined, or for storage until sale.

Lost or Stolen Property

Lost or stolen property are assets that have been inadvertently lost or have been stolen by a third party. If the items need to be replaced and funding is available, submit a requisition for replacement and attach to the completed DISPOSITION OF PROPERTY FORM.

1. Contact your immediate supervisor and complete an incident report. The incident report will be forwarded to the Executive Director of Risk and Emergency Management. Should additional steps be required, including a police report, the Director will assist.
2. Complete the DISPOSITION OF PROPERTY FORM.

3. If the item lost or stolen needs to be replaced and funding is available, submit a requisition for replacement and attach to the completed DISPOSITION OF PROPERTY FORM.

Unserviceable Property

Unserviceable items are assets that are worn-out or obsolete beyond repair, including computer software that has become obsolete.

1. Complete the DISPOSITION OF PROPERTY FORM.
2. Once the disposal of the item(s) is approved, complete a facility work order to arrange to transfer the physical custody of the items to the facilities department for storage until disposal.
3. In conjunction with the Business Office, the Facilities Manager will determine the best way to dispose of unserviceable items.
4. If the items need to be replaced and funding is available, submit a requisition for replacement and attach to the completed DISPOSITION OF PROPERTY FORM.

Destroyed Property

Destroyed items are assets that are vandalized or accidentally destroyed so as to no longer be useful, or those used for parts.

1. If an asset is vandalized or accidentally destroyed, contact your immediate supervisor and complete an incident report. The incident report will be forwarded to the Executive Director of Risk and Emergency Management. Should additional steps be required, including a police report, the Director will assist.
2. Complete the DISPOSITION OF PROPERTY FORM.
3. If the items need to be replaced and funding is available, submit a requisition for replacement and attach to the completed DISPOSITION OF PROPERTY FORM.

OR

If the asset is to be used for parts, complete the DISPOSITION OF PROPERTY FORM.

4. Once the form is approved, the inventory tag number should be removed from the asset and returned to the Business Office with a copy of the completed DISPOSITION OF PROPERTY FORM.

Public Records Request

Commercial public record requests often require the procurement team's involvement to provide information contained in contracts or regarding the selection of a supplier for an award. In the event the public records request is for commercial purposes, the College has the obligation (in addition to obtaining, printing, copying materials and personnel time) to charge for the value of the reproduction on the commercial market as best determined by the College.

Chargeable Fees

The charge for copies, printouts, reproductions, or photographs of public records for a commercial purpose shall include the following:

- A portion of the cost to the College for obtaining the original or copies of the documents, printouts, or photographs.
- A reasonable fee for the cost of time, materials, equipment, and personnel in producing such reproductions.
- The value of the reproduction on the commercial market as best determined by the College.

Fair market value is often difficult to determine, as such, the College has adopted the approach that the College will determine the fair market value based on a percentage of the anticipated revenue sought and/or reasonably anticipated by the requestor or a similarly situated requestor submitting the commercial public records request. This percentage itself will be based on the College's calculation of an acceptable margin of profitability. The College's acceptable margin of profitability will be based on the current commercial market conditions as determined by the College in its sole discretion.

The College will provide the requestor with the opportunity to provide the reason for the commercial purposes and the financial value of the information to the requestor in sufficient detail (as determined in the sole discretion of the College) for the College to calculate the value of the reproduction on the commercial market. If the requestor does not provide sufficient details within Two (2) weeks of the College's most recent request, then the College will determine market value without further input from the requestor in its sole discretion.

Example for purposes of illustration only:

A construction company submitted a proposal for a large project, but they lost the award. The company desires the details of the selection committee and pricing. The cost for the information related to a project may be figured as follows:

The value of the solicitation is \$500,000 and an industry standard profit margin for a typical construction company at 15%. Had the company been awarded the contract, it would have realized a profit of \$75,000 (15% of \$500,000).

The commercial market value of the information, as determined by the College, is 10% of the profit (\$75,000) resulting in a commercial value of \$7,500. This value would be added to the cost of searching, reproduction, printing, materials, and personnel (e.g., \$500 in this example). A total cost of \$8,000, would be provided to the requestor as the reasonable fee for obtaining and reproducing the data, as well as the value of the information for commercial purposes.

Misuse of Records

If the College determines that the commercial purpose stated in the statement is a misuse of public records or is an abuse of the right to receive public records, the College may apply to the Governor requesting that the Governor by executive order prohibit the furnishing of copies, printouts, or photographs for such commercial purpose. The Governor, upon application from the College, shall determine whether the commercial purpose is a misuse or an abuse of the public record. If the Governor determines that the public record shall not be provided for such commercial purpose the Governor shall issue an executive order prohibiting the providing of such public records for such commercial purpose. If no order is issued within thirty (30) days of the date of application, the College records shall provide such copies, printouts, or photographs as are legally permitted for disclosure upon being paid the fee determined pursuant to established procedures.