

HARTNELL COMMUNITY COLLEGE DISTRICT

AP 6330 Purchasing

References: Education Code Section 81656; Public Contract Code Sections 20650 and 20651

Definitions:

Bid – A written agreement prepared by a bidder to enter into a contract to meet all required specifications and requirements of bid documents within an Invitation to Bid (ITB). The bid limit for the purchase of materials, supplies, and services is established by the State of California Public Contract Code (PCC) section 20651 and is subject to change on January 1 of each year. Certain professional services or advice and insurance services are exempt from bidding requirements.

Budget Officer – A Budget Officer is the manager responsible for a particular budget account number. Budget Officers have authority to sign Purchase requisitions. A Budget Officer does not have authority to obligate the District by entering into contracts or signing Purchase Orders for goods or services except to the extent granted by the Board of Trustees.

Chief Executive Officer – The Chief Executive Officer (CEO) is the superintendent/president of the District and is delegated purchasing authority by the Board of Trustees.

Goods – Tangible items such as supplies, materials, and equipment.

Invitation to Bid – An Invitation to Bid (ITB) is a written document, advertised in a newspaper of general local circulation, inviting prospective vendors and contractors to submit bid documents to provide materials and/or services. The ITB includes detailed specifications of product requirements so all respondents have identical information necessary to complete required documents. Bids must be opened at the time and place described in the ITB

Micro-purchases – Micro-purchase means a purchase of supplies or services in which the aggregate dollar amount does not exceed the micro-purchase threshold (\$10,000) set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1.

Public Projects – A Public Project is defined as construction, reconstruction, erection, alteration, renovation, improvement, demolition, painting or repainting, and repair work involving any publicly owned, leased, or operated facility (*California Public Contract Code Section 22002*).

Purchase Order – A Purchase Order (PO) is a legal document created by the District's Business Services Department after it receives an approved requisition, conducts necessary bidding activities, and selects a vendor. Purchase Orders are created using the Colleague ERP system and online using Mercury Commerce, an approved E-commerce system.

Purchase Order Splitting – Splitting is the intentional separation of purchase orders to the same vendor in order to reduce the dollar amounts to be within a single purchase limit. State law prohibits purchase order splitting (*California Public Contract Code Section 10329*).

Purchase Requisition – A Purchase Requisition is a request form found in Mercury Commerce that is completed and authorized by a Budget Officer and forwarded to the District Purchasing Department. A Purchasing Requisition includes detailed information including product description, quantity, quality, features, functions, timelines, and other necessary specifications.

Request for Information – A Request for Information (RFI) is a standard business process, similar to but less formal than a Request for Qualifications (RFQ). It is used to collect basic, written information about the capabilities of various suppliers, vendors, or contractors.

Request for Qualifications - A Request for Qualifications (RFQ) is a document issued early in selection process. It typically describes the project in enough detail to let potential contractors determine if they wish to compete. The request is often used prior to an Invitation to Bid (ITB) or Request for Proposal (RFP) to identify vendors and contractors who meet minimum standards. However, the District may select a vendor or contractor based solely on the results of an RFQ.

Request for Proposals - A Request for Proposals (RFP) is a process used to solicit formal proposals to provide goods or services which may not have easily defined specifications. The District may establish criteria to screen proposals, as allowed by the Public Contract Code, and may interview vendors and contracts prior to the selection process.

Services - Services are generally performed by professional firms and individuals who are not employees of the District such as consultants, auditors, attorneys, bankers, architects, engineers, and other contractors.

I. Introduction

The State of California Education Code, Sections 81655 and 81656, empowers the Board of Trustees to enter into contracts on behalf of the District and to delegate such contractual authority to one or more officers or employees. These procedures have been written to comply with Education Code Sections 81655 and 81656, public bidding requirements mandated by Public Contract Code Section 20651, Generally Accepted Accounting Practices (GAAP), and all other applicable state and federal regulations. These procedures are intended to be a summary only. District Officers and employees with purchasing responsibility should consult the Codes for the most complete detailed requirements.

The District's goal for every purchasing transaction is to obtain the best value possible. Best value is determined by evaluating many factors (such as price, delivery capabilities, quality, quantities, past performance, training, financial stability, service capabilities, ease of

ordering, payment, etc.) and selecting a vendor that offers the best combination of those factors.

The District strives to procure goods and services through contracts with appropriate terms that mitigate risk and safeguard the public interest. When bids are required by policy, they are to be conducted on an open and competitive basis and without favoritism, in order to maximize value to the District. Interested vendors shall receive fair and impartial consideration.

The District's purchasing procedures are intended to be consistent with Generally Accepted Accounting Practices (GAAP), and all applicable state and federal regulations. The Board of Trustees encourages and supports local participation in response to bids, requests for proposals and other procurement processes (Board Resolution 10:13).

II. Authority and Responsibility

Authority to purchase supplies, materials, apparatus, equipment and services are delegated to the CEO and designated District officers by the Board. Purchasing activities include:

- Determine which products and services are required
- Initiate requisitions
- Solicit quotes or bids
- Substantiate purchase using the Sole Source Justification Form when appropriate
- Verify receipt of goods or services prior to payment

Employees involved in the purchasing process take full responsibility for understanding District policies and procedures regarding purchasing and vendor relations. Employees who make an unauthorized purchase on behalf of the District may be subject to disciplinary action, up to and including termination.

Segregation of duties and responsibilities in the purchasing process provides proper controls. As the value and complexity of the purchase increases, so does the level of authority and responsibility required to obligate the District.

III. Conflict of Interest

The District shall not purchase goods or services from any vendor or source in which a requestor, an authorized purchasing agent or a member of the Board has any proprietary interest. Any proposed exception must be reviewed by the Chief Business Officer or Chief Executive Officer and approved by the Board. Employees and Board members are prohibited from accepting gratuities, in any form, the value of which could compromise their objectivity in selecting vendors or awarding purchase contracts.

The District values its suppliers and vendors. Tokens or displays of appreciation from vendors are discouraged. All vendors are expected to comply with District and state ethical

standards by not offering incentives, gifts, or services to individual employees or Board members.

IV. Code of Conduct

Hartnell employees deal with a variety of business partners and organizations including customers, suppliers, community, government representatives, contractors, and other vendors. These relationships are based on honesty and fairness. Employees shall be truthful and transparent in representing the District and ensure that their actions protect the District's ethical reputation.

V. Requirement to File Statement of Economic Interests

District trustees, employees, officials, or consultants who substantially influence the award of contracts, exercise contractual authority, or otherwise make or assist in making decisions that have material effect on the financial interests of the District are required to file an annual Statement of Economic Interests Form 700 in accordance with the California Code of Regulations, Title 2, Section 18730.

VI. Limits on Contract Duration

Pursuant to Education Code Section 81644, contracts for services or equipment shall not exceed five years duration and contracts for materials or supplies shall not exceed three years duration.

VII. Types of Purchases

The District primarily purchases goods and services. (1) Goods include tangible items such as supplies, materials and equipment. (2) Services are generally performed by professional firms and individuals who are not employees of the District such as consultants, auditors, attorneys, bankers, architects, engineers, and other contractors. Transactions for (3) public projects (construction) have different rules and procedures and will be addressed separately.

A. Goods, Supplies, Materials, Equipment, and Maintenance Services

This section is applicable to the purchase of tangible goods and maintenance services. Maintenance services is defined in Public Contract Code Section 20656 as "routine, recurring, and usual work for the preservation, protection and keeping of any publicly owned or publicly operated facility for its intended purposes in a safe and continually usable condition for which it was designed, improved, constructed, altered or repaired."

Most purchases of goods, supplies, and equipment are initiated with a requisition in the District E-Commerce system (Mercury Commerce). This step typically occurs at the time the product needs to be ordered, not when payment is due. The requestor must first be assured that sufficient budgeted funds are available to pay for the transaction.

Information on the requisition provides guidance to the Purchasing Department as to the requestor's preference regarding vendor, specifications, etc.

The requisition passes through the Mercury Commerce workflow system for approval. Certain administrators have been delegated authority to review the request, make vendor recommendations, monitor budgets, ensure compliance with District policies and procedures, and approve the purchase.

Once a requisition has been approved by the appropriate budgeter, it is routed to the Purchasing Department for final review, approval, and processing. The Purchasing Department shall determine if it meets established procedures, standards, and laws, and verify the availability of funds. Once finalized, the requisition becomes an official Purchase Order (PO) and funds are encumbered. A PO is a legal document that governs the transaction and properly protects the District. It specifies the terms and conditions of the agreement. The official PO is then issued to the vendor.

Approval

The Chief Executive Officer (CEO) delegates authority to District administrators to approve purchasing transactions. As the value and complexity of the purchase increases, so does the level of authority and responsibility required to obligate the District.

Purchase Amount	\$0 to \$4,999	\$5,000-\$9,999	\$10,000-\$96,700	\$96,701* and Above
Approved By	Department Head or Program Administrator	Vice President	President or Designee	Board of Trustees

*The Board delegates authority to the CEO to approve purchases above this amount when an emergency exists. An emergency purchase is defined as a circumstance in which an immediate purchase transaction or decision is necessary to prevent a serious delay which could reasonably result in a danger to life, damage to property, escalated cost, or suspension of an essential service. Emergency purchases shall be ratified by the Board. The \$96,700 amount is set by the Board of Governors and adjusted annually or periodically to reflect changes in the Consumer Price Index. The policy and procedure will be kept current with the amount set by the Board of Governors.

Documentation

The documentation required for each transaction depends on the amount of the obligation. There may be exceptions to these general rules. For example, certain departments within the federal government may have more strict documentation and limit standards. Those who manage federal grants have responsibility to coordinate with the District Grant Manager and to fully understand grant rules and requirements. \$0 - \$5,000 - A purchase of less than \$5,000 requires one documented quote (two is recommended). This includes micro-purchases as defined above. A written quote must contain vendor contact information and a clear description of goods being offered. If no written quote is available from the vendor, the Purchasing Department shall create a

memo to file with the obtained quote detailing the date, vendor name and persons contacted, telephone numbers, and explanation of why the chosen vendor was selected.

\$5,001 - \$20,000 - The purchase of goods with a value between \$5,001 and \$20,000 requires three written quotes (unless sole source justification exists). In accordance with federal and state procurement requirements, at least two quotes must be obtained, preferably in writing. A written quote must contain vendor contact information and a clear description of goods being offered. If no written quote is available from the vendor, the Purchasing Department shall create a memo to file with the obtained quotes detailing the date, vendor name and persons contacted, telephone numbers, and explanation of why the chosen vendor was selected.

\$20,001 - \$96,700 -The purchase of goods with a value between \$20,001 and \$96,700 requires an informal RFQ and three written quotes (unless sole source justification exists). Written request for services with clear description must be provided to vendors. Written response from vendors must be received, dated, and signed. This process could take two to four weeks.

\$96,701 or more - A purchase of \$96,700 (as of January 2021) or more requires a formal Invitation to Bid (ITB) or Request for Proposals (RFP). An ITB or RFQ may be preceded by a Request for Information (RFI) or a Request for Qualifications (RFQ). See Solicitation of Formal Bids on page 9.

B. Independent Contracts including Professional Services and Insurance Services

Any contract to purchase the services of a person, business, or corporation who is not an employee of the District is an independent contract. Independent contracts should not be used to hire contractors to perform facility construction, modification, renovation, demolition, or repair or to make other purchases which are subject to competitive bid requirements of the Education Code or the Public Contract Code. The CEO is delegated authority, pursuant to Education Code 81656, to enter into contracts with independent contractors in an amount not to exceed \$50,000. All contracts must be in written format.

Less than \$50,000 - An Independent Contract of less than \$50,000 requires a Purchase Order and a written agreement which includes precise expectations including scope of work, beginning and ending dates, fee schedules, terms of payment and a maximum total cost. Before work begins, the contractor must complete a Vendor Information Sheet and an Independent Contractor Pre-hire Worksheet. The information sheet and worksheet are submitted to the Business Office for review and approval. Upon approval, the information is forwarded to the CEO for budget coding and authorization. After services are satisfactorily completed, the CEO authorizes payment on the invoice. The invoiced amount cannot exceed the contract amount. Progress payments, if specified in the agreement, must be authorized in writing by the CEO.

\$50,000 and greater - Any Independent Contract amount of \$50,000 or greater must be presented to the Board of Trustees for approval prior to contract commencement. The Board delegates authority to the CEO to approve purchases above this amount when an emergency exists. An emergency purchase is defined as a circumstance in which an immediate purchase transaction or decision is necessary to prevent a serious delay which could reasonably result in a danger to life, damage to property, escalated cost, or suspension of an essential service. Emergency purchases shall be ratified by the Board within 60 days of commencement.

It is often not feasible to create detailed specifications to describe objective service requirements necessary for bidding. Therefore the District may advertise a Request for Proposals (RFP) or Request for Qualifications (RFQ) to create a competitive process. The RFP or RFQ shall be advertised, received, opened, screened, and awarded in a similar manner to that of formal bids. Selection criteria shall be clearly stated in the Request documents.

C. Public Projects

California Public Contract Code Section 22002 defines "Public Project" as construction, reconstruction, erection, alteration, renovation, improvement, demolition, painting and repair work involving any publicly owned, leased, or operated facility. The installation of voice or data cabling is defined as a public project. Public Project contractors must pay prevailing wages to their workers in accordance with California Labor Code (Sections 1720-1815) and the California Code of regulations, Title 8.

1. Public Projects require review and approval by the District Facilities Department.
2. The requestor shall submit to the Purchasing Department a Requisition that has been signed by an authorized Budgeter (see Approval Section on page 5).
3. The following competitive selection processes are required:

Less than \$1,000 - A purchase of less than \$1,000 requires at least one price quotation obtained from a licensed contractor by the District Facilities Department in conjunction with approved specifications. In accordance with the Public Contract Code Section 20657, all contractors included on the District pre qualified informal bidding list shall be given notice of all requests for quotations in any manner as the district deems appropriate.

\$1,000 to \$14,999 - A purchase with a total cost of \$1,000 to \$14,999 requires at least two written price quotations under the direction of the District Facilities Department.

\$15,000 or more - Projects (labor and materials) with a cost of \$15,000 or more require formal bids (Public Contract Code Sections 2011(b) and 20651 (b)). The District Facilities Director, in consultation with project management shall approve all specifications. The bid shall be advertised, received, opened, screened, and awarded in the same manner as previously described. Also, some

construction project bids are typically announced to local trade associations and shared through their trade publications and other means as appropriate.

Bond and Surety Requirements

All bidders shall be required to provide a Bid Bond. Successful bidders and contractors may be required to provide the following also:

- 100% Performance Bond
- 100% Payment Bond (mandatory for projects over \$25,000)
- Proof of public liability insurance with endorsements
- Proof of Workers' Compensation insurance
- Liability insurance certificate
- IRS W-9 form
- An active and valid California contractor license.

Specific requirements will be described in each advertised bid or contract.

Noncollusion Affidavit

In addition to other bid documents, bidders on public works projects are required by Public Contract Code Section 7106 to submit a certification form that they have not colluded with another bidder.

Change Orders

A change order is a procedure that is defined in the contract to provide for modifications of the contract scope of work. Change orders can increase the cost of the work, reduce the cost of the work, or have no cost impact. The project schedule may change due to the change order, or other reasons. Such changes must be documented. *(Please refer to Board Change Order Policy.)*

The need for a change order usually arises from one of the following reasons:

- Error in or omission from the contract documents;
- Unforeseeable job site conditions such as rock, expansive soil, unrecorded utility lines or similar circumstances;
- Change in the requirements of a regulatory agency, such as revisions in building codes, fire, safety or health regulations;
- A change originated by the Campus;
- Changes in specified work due to the unavailability of specified materials.

Emergency

When an emergency necessitates repair or replacement, contracts shall be awarded pursuant to the procedures described in Public Contract Code sections 22035 and 22050.

VIII. Solicitation of Formal Bids

Rules, regulations and bid limits are governed by the State of California Public Contract Code 20651. The bid limit for the purchase of materials, supplies and equipment is subject to change periodically, and is currently set at \$96,700. The bid limit for Public Projects is \$15,000.

The amount subject to the bid limit requirements is the total contract value over the term of the written agreement including all costs (taxes, fees, etc.) for all years of the contract. If the total contract value is below the bid limit then a formal Invitation to Bid (ITB) is not required; however informal bids or quotes are required (see above). Informal bidding promotes free and open competition among sellers for public dollars and can substantially reduce acquisition costs. A project may not be split or divided to avoid bid requirements.

Expenditures that exceed the limit require a formal bid obtained by the District Purchasing Department. It may take several weeks or months for this process to be completed. The Purchasing Department will collaborate with the requestor to establish a schedule and formalize specifications.

Duration

Pursuant to Education Code Section 81644, contract for equipment shall not exceed five years duration and contracts for materials and supplies shall not exceed three years duration.

Advertisements

All bids shall be advertised in a newspaper of general circulation within Monterey County. Bid announcements are generally published once a week for two consecutive weeks, usually in the legal section. Vendors may also be contacted directly.

No Contact

Individuals, firms and business seeking an award of a Hartnell Community College District contract may not initiate or continue any verbal or written communications regarding a solicitation with any District officer, elected official, employee or other District representative without permission of the purchasing associate named in the solicitation between the date of the issuance of the solicitation and the date of the final contract award by the Board of Trustees. Violations will be reviewed by the **Chief Business Officer**. If determined that such communication has compromised the competitive process, the offer submitted by the individual, firm or business may be disqualified from consideration for award.

Receipt of Bids

All formal advertised bids shall be received only in the location designated in the bid documents, generally the District Purchasing Department. The bid shall be submitted in a sealed envelope identified with the bid name/number prior to the date and time specified

in the bid instructions. The electric date stamp shall determine the official time of receipt. Bids received after the scheduled time shall be returned unopened to the bidder.

Bid Opening

The bid opening shall be conducted by the **Chief Business Officer** or designee. Presence at bid openings is not required although vendors are welcome to attend.

Award

The purchase of goods shall be let to the lowest responsible and responsive bidder. The evaluation of responses for award may be based upon price, terms and conditions of the invitation for bids, specifications, past performance of supplier, compatibility of items with existing equipment, and delivery time. Per Education Code Section 81645 contracts for electronic data processing systems and equipment, electronic telecommunications equipment, supporting software and related materials, goods, and services may be left to one of the three lowest responsible proposals or bids.

After bids have been reviewed and analyzed, a recommendation shall be made to the governing board at the next possible board meeting. Bids shall be available for public review in the Administrative Services Division within three days of opening.

Relief of Bidders

A vendor or contractor may be relieved of a bid in which a mistake was made in filling out the bid form and which was not due to an error in judgment or to carelessness in reading product specifications. The vendor must provide a detailed written notice of the mistake to the Administrative Services Department within five (5) days of the bid opening. A bidder who is relieved of a bid shall be prohibited from participating in further bidding on the purchase (Public Contract Code Section 5103).

Notice

The Director of Purchasing or designee shall announce the Intent to Award to all bidders in writing.

Hazardous Products

Vendors are required to provide Materials Safety Data Sheets (MSDS) from the manufacturer for all hazardous products as defined by Title 8, California Code of Regulations. Vendors or contractors transporting hazardous materials on campus shall provide an approved manifest to the Director of Facilities.

Exceptions to Bidding Requirements

Certain goods are exempt from bidding requirements as provided in state code; supplementary textbooks, library books, educational films, audiovisual materials, test materials, workbooks, periodicals, perishable foodstuffs, surplus federal property, energy service, conservation contracts, purchases through other public agencies, and emergency repair contracts.

Special services and advice under Government Code section 53060 are also excluded from bidding requirements. Such services include; financial, economics, accounting, engineering, legal or administrative matters if such persons are specially trained, experienced and qualified to perform the special services required.

Although such goods and services are exempt, the District may still choose to request qualifications or proposals from potential vendors and follow a selection process in whole or part as described above.

The Chief Executive Officer or designee is authorized to make purchases from vendors holding current pricing agreements with other state public agencies without calling for bids when it appears to be in the best interest of the District.

IX. Other Types of Purchases

A. Sole Source

There may be occasions when products/services must be purchased from one specific source or manufacturer. If a request is made to purchase a product produced by only one supplier, yet several sources can provide a similar product, the request will be subject to the normal process. Should a request be made to purchase products/services from a sole source, it must meet one of the criteria shown below. The request must include a completed Sole Source Justification Form. The four most commonly accepted sole source justifications are outlined below. Such justifications have been accepted with proper supporting documentation.

1. Compatibility with Existing Equipment

This justification may be used if your products or services are being purchased to directly interface with or attach to equipment of the same manufacturer and no other manufacturer's products will correctly interface with existing equipment.

2. Compatibility for Instructional Purposes

This justification may be used if the products are being purchased to supplement existing equipment in a classroom. The product must exactly match the existing equipment and is being purchased to provide uniformity for instructional purposes.

3. Compatibility for Research

This justification may be used if the main purpose for acquiring equipment or supplies is to replicate specific experiments, using exact products that produced the original results. You may also use this justification if you are collaborating with another researcher and can show that identical products are required to fulfill your part of the agreement.

4. Only One Supplier Can Be Identified

In rare cases, only one supplier may exist to provide a particular product or service. When providing a justification based on the availability of one supplier, the product or service must be defined in generic terms. Specifying patented

products or processes, when not necessary to meet functional requirements, is not acceptable as a sole source justification. Justifications can be accepted more readily by providing information regarding attempts to locate other suppliers, such as letters, informal quotations, or telephone contacts.

A Sole Source Justification Form should be included with the requisition and forwarded to the Purchasing Department referencing the order. Final determination as to whether products/services will be purchased on a sole source basis will be made by the Purchasing Department, in consultation with the requester. The form shall remain on file as part of the official procurement documents and may be subject to audit or review by interested parties.

B. Lease

A comparison of lease and purchasing costs should be prepared by the acquiring department as the first step in the procurement cycle to determine the appropriate acquisition strategy. When developing the cost comparison, factors such as the following should be documented:

- Length of time the equipment is to be used and the extent of its use, including the possibility of use by another District Department.
- Financial, technical, and other advantages of types and makes of the required equipment available for lease/purchase.
- Lease cost and purchase options.
- Cost of equipment purchase and installation.
- Imminent technological improvements.
- Other factors related to function's performance or cost of equipment, including maintenance cost.
- Lease equipment: If the College is already using leased equipment, consideration shall be given to the advantage and feasibility of purchasing it or new equipment to perform the required function.
- Cost Comparison and Methods of Acquisition: The cost comparison shall be completed to provide a basis for estimating the point at which cost of leasing will exceed cost of purchase. The method used shall at least compare the cost of purchasing and maintaining equipment against the cumulative cost of leasing. Factors such as interest rates, technological life, and trade-in value may also be considered.
- Purchase method shall be used when there is a cost advantage over leasing, provided the equipment will be used beyond the point in time at which the cumulative leasing cost exceeds purchase cost.
- Lease with option to purchase shall be used when it is necessary or advantageous to defer purchase.
- Lease without option to purchase may be used if it is the only way to acquire essential equipment which meets program or system requirements but does not meet conditions for purchase.

IX. Adding a Vendor

Definition of a New Vendor

Any company or individual that Hartnell intends to do business with for the first time is a new vendor. Hartnell needs to obtain required information about new vendors prior to doing business with them. This includes check request vendors as well as Purchase Order vendors. If you are not sure whether a vendor is new or not, please contact the Purchasing Department

**Note regarding Mercury Commerce*

If you do not find a vendor you are looking for, the vendor may not necessarily be new. Only a core of frequently used vendors were uploaded from Colleague, so some were unavoidably missed. Please contact the Purchasing Department to determine if a vendor is new before sending any forms.

Required Documentation

New vendors shall submit the following to the District Purchasing Department:

- Vendor Information Sheet (all vendors)
- Copy of business license (service vendors)
- Certificate of Insurance with \$1,000,000 minimum (service vendors)

Only after the documents are received by Purchasing and reviewed for completeness will a vendor be added to our system. Purchase Orders and payments cannot and will not be made to the vendor until their profile is created.

X. Special Requisition Types

Blanket Purchase Orders. Blanket Purchase Orders are primarily used to make payments for services that are provided on a regular and consistent basis, and in some cases for the regular delivery of a consistent quantity of product. Examples include; utilities, maintenance agreements, routine maintenance supplies, etc. All Blanket Purchase Order requests shall be prepared by the Purchasing Department and approved by the Chief Business Officer or designee. Blanket Purchase Orders with a list of employees authorized to use the Order shall be sent to the vendor so they can include the PO number on all invoices. Blanket Purchase Orders are not to be used as an open line of credit or to facilitate informal orders (open account that provides no detail regarding individual purchases). All changes to Blanket Purchase Orders shall be approved by the CBO or designee. Blanket Purchase Orders shall terminate no later than the end of the current fiscal year.

Check Request. The Check Request Form is designed to expedite certain transactions such as recurring membership dues and subscriptions, conference registration, reimbursement and guest presenter compensation. The form must include written approval from the appropriate administrator. A completed form with full documentation is submitted to the Accounting Department to initiate an immediate payment.

Petty Cash Reimbursement. In rare instances an employee may be reimbursed for small pre-authorized purchases after completing a Petty Cash Reimbursement Form. This form must include written approval from the appropriate administrator. A completed form with all documenting receipts is submitted to the District Cashier for reimbursement.

Travel. A Travel Authorization Form must be completed and approved prior to travel. If a check is needed in advance for transportation, lodging, meals, or registration, the traveler must complete a Check Request Form and attach supporting documentation for the payment. An accounting reconciliation of actual expenses is completed on a Travel Expense Claim Form following the trip.

XI. Receiving

A receipt is the department's way of indicating to Accounts Payable that the product has been received or the service has been provided and therefore the Purchase Order is approved for payment.

XII. Payment

A purchase transaction is complete only after the goods or services have been received and the supplier has been paid. When a Purchase Order is issued, the department assumes responsibility to make sure the vendor is paid within an appropriate period of time. By issuing a Purchase Order through the Mercury Commerce in advance of the purchase, funds are properly encumbered to pay these obligations. The encumbrance is not a contract, but ensures that the required funding is available. Accounts Payable pays invoices for the District including those for external vendor purchases, employee reimbursements, and payments to U.S. independent contractors.

Vendors are instructed to send invoices directly to Accounts Payable for processing. This helps ensure timely payment. The preferred method for receiving invoices is mail; however they may also be faxed. All District expenditures should be charged to the proper source of funds within 90 days of occurrence.

See Board Policy 6330

Approved by the Superintendent/President: December 14, 2021