Purchasing Manual

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VENDOR APPLICATION INTAKE PROCESS

When a requester/initiator decides to engage a "new vendor" to purchase future products or services the requester/initiator will:

New Vendor

If the Intended vendor does not exist in Datatel, a new Vendor ID number will need to be established. To establish a new vendor, the requester/initiator must first send the blank Vendor application form to the vendor for their completion and request an IRS form W-9. The CR Vendor Application and W-9 are available on the Business Office webpage: https://internal.redwoods.edu/formsresources.

Upon completion, the vendor will return the two documents to the requester/initiator. The requester/initiator will review the documents for completeness, accuracy, and legibility. If complete, the requester/initiator will email all documents to purchasing@redwoods.edu.

Purchasing will enter vendor information into Datatel and will notify requester/initiator of the vendor ID.

Existing Vendor

Verify whether this anticipated vendor is currently entered in Datatel and if so, use that vendor ID number when creating the purchase requisition.

COMPARATIVE PRICING

To ensure purchase of materials and services at the most advantageous price, District procedures require comparative shopping prior to making purchases.

Informal Quotes

Purchases with units cost ranging in value from $1 to $4,999 requires documentation of informal written, telephone or internet quotes. The requester should obtain the quote prior to submitting the requisition. This information needs to be forwarded to purchasing@redwoods.edu with the requisition to prevent delays in processing the requisition.

Purchases with a unit cost ranging in value from $5,000 to $109,300 require documentation of informal written, telephone or internet quotes from three separate sources. The requester should obtain the quotes prior to submitting the requisition. This information needs to be forwarded to purchasing@redwoods.edu with the requisition to prevent delays in processing the requisition.

Formal Quotes

Purchases priced up to $109,301 for supplies, materials, and services, or $60,000 to $200,000 for public works projects (Construction, Renovation, Erection, Alteration, Improvement, Demolition, Maintenance other than routine, recurring work) require three written quotes. Public works projects require quotes from approved CUPCCAA contractors.

The requester should obtain formal written quotes from vendors. All quotes must be on a quote form or company letterhead and must be provided by an authorized representative. This information needs to be forwarded to purchasing@redwoods.edu to prevent delays in processing the requisition.

Advertised Bids

All purchases that equal or exceed the current legal bid limit ($109,300 for equipment, services, and materials, or $201,000 for publics works projects) must go through the legally required formal bid process. The contract award must be approved by the Board of Trustees. All formal bids are coordinated by the Business Office. The Business Office will work with the requester to develop specifications to assure the desired standard of quality.

NON-COMPETITIVE PRICING

These types of transactions are identified by statutory authority as not requiring the solicitation of quotes, bids, or any other form of competitive pricing prior to purchase.

- Education Materials – Education Code 81651
- Food/Cafeteria Supplies – Public Contract Code 20660
- Emergency Contracts – Public Contract Code 20654
- Cooperative Purchases – Public Contract Code 20652
- Finding of Impracticability – No statutory authority for sole sourcing. Refers to a market condition when competitive procurement process is impossible or impracticable. ***Requires completion of Sole Source Forms.**

Education Code 81651 -- The governing board of any community college district may purchase supplementary textbooks, library books, and educational films, audiovisual materials, test materials, workbooks, instructional computer software packages, or periodicals in any amount needed for the operation of the schools of the district without taking estimates or advertising for bids.

Public Contract Code 20660 -- Perishable food stuffs and seasonal commodities needed in the operation of cafeterias and food services may be purchased by a community college district in accordance with rules and regulations for the purchase adopted by the governing board of that district, notwithstanding any provisions of this code in conflict with the rules and regulations.

Public Contract Code 20654 -- (a) In an emergency when any repairs, alterations, work, or improvement is necessary to any facility of the college, or to permit the continuance of existing college classes, or to avoid danger to life or property, the board may by unanimous vote, with the approval of the county superintendent of schools, do either of the following:

(1) Make a contract in writing or otherwise on behalf of the district for the performance of labor and furnishing of materials or supplies for the purpose without advertising for or inviting bids.

(2) Notwithstanding Section 20655, authorize the use of day labor or force account for the purpose.

(b) Nothing in this section shall eliminate the need for any bonds or security otherwise required by law.

Public Contract Code 20652 -- Notwithstanding any other provisions of Sections 81640 to 81654, inclusive, of the Education Code, or of Sections 20651 to 20659, inclusive, of this code, the governing board of any community college district without advertising for bids, and when that board has determined it to be in the best interests of the district, may authorize by contract, lease, requisition, or purchase order, any public corporation or agency, including any county, city, town, or district, to lease data-processing equipment, purchase materials, supplies, equipment, automotive vehicles, tractors, and other personal property for the district in the manner in which the public corporation or agency is authorized by law to make the leases or purchases. Upon receipt of any such personal property, provided the property complies with the specifications set forth in the contract, lease, requisition, or purchase order, the community college district may draw a warrant in favor of the public corporation or agency for the amount of the approved invoice, including the reasonable costs to the public corporation or agency for furnishing the services incidental to the lease or purchase of the personal property. Alternatively, if there is an existing contract between a public corporation or agency and a vendor for the lease or purchase of the personal property, a community college district may authorize the lease or purchase of the personal property directly from the vendor by contract, lease, requisition, or purchase order and make payment to the vendor under the same terms that are available to the public corporation or agency under the contract.

CONTRACTS

An agreement between a buyer and seller for Good or Services. Contracts need to be sent to the Executive Assistant to the VP of Administrative Services for Board of Trustees ratification.

- Contracts are not enforceable until ratified by the Board.

When is a Contract Needed

- Services > $1,000

- Goods / non-construction, > $109,300 * (There must be a Competitive Bid)
- Construction services public works projects > $15,000

When is a Contract Not Needed

- Services < $1,000
- Goods < $109,300

Types of Contracts

- **Service Agreement for Services Providers** – District is hiring an outside consultant to provide specific professional services.
- **Service Agreement for Individuals** – District services outside of consulting or construction.
    - Special event speakers
    - Music providers
    - Alarm services
    - Minor repairs
    - Equipment servicing
- **The Service Agreements are NOT intended for use for specialty services such as** architectural, engineering, inspection services. We maintain separate specialized contracts for these.

Contract Terms

- The majority are for the current fiscal year or until the end of the project.
- Continuing contracts for work or services furnished to the District are not to exceed five (5) years.
- Contracts for goods are not to exceed three (3) years.

Insurance Requirements

- At a minimum professional liability insurance is required for:
    - Service Providers
    - Individuals
    - Engineers
    - Architects
    - Other licensed professionals
- If performing repairs or services on District property, the vendor will provide proof of the following:
    - Commercial Insurance
    - Auto Insurance
    - Workers Compensation Insurance

- **A business license is required for an independent contractor/sole proprietor.**

REQUISITION/PURCHASE ORDERS

The requisition is the initial document in the purchasing process. A requisition is required to initiate the purchase of goods and services.

There are two types of Purchase Orders. Blanket Purchase Order (BPO) and Purchase Order (PO)

Blanket Purchase Orders (BPO's)

A blanket purchase order is used for making purchases from the same vendor throughout the fiscal year or there are more than 7 different items that need to be purchased. It is an open purchase order limited by dollar amount.

- Are intended for use throughout the fiscal year.
- A requisition with more than 7 line items.
- All BPO's are closed June 30th.

Purchase Orders (PO's)

- Intended for single use.
- Purchasing specific item.
- Has specific dollar amount.
- PO will close automatically after invoices are paid.

Sales Tax

Not all vendors located outside of the State of California collect California sales tax. Even though the vendor does not collect the sales tax, the District must pay the tax to the State of California. The purchase order must include the applicable sales tax.

REQUISITION/PURCHASE ORDERS

Approvals and Dollar Limits:

- Cost Center Managers have an approval dollar limit up to $11,450.
- The VP's of Instruction, Student Services and Human Resources have an approval limit up to $57,250.
- The VP, Administrative Services has an approval dollar limit up to $458,000.
- The President has no limit.
- Object Codes ending with 564xx must have the Director, Administrative Services as the final approver.

REQUESTING APPROVALS

The requisitioner will request approval based on the dollar limit by email. The email subject should have the REQ # and Vendor Name. The email should include the quote or any other backup documentation and purchasing@redwoods.edu should be cc'ed.

PROCESS AFTER REQUISITION HAS BEEN SUBMITTED

After the requisition has been approved and the purchasing specialist has the backup documentation for the requisition, the purchasing specialist will create the PO/BPO and email it to the requester/initiator for them to place their order.

INFORMATION TO GATHER PRIOR TO CREATING A REQUISITION

For ALL Requisitions:

- Vendor ID
- GL code with budget available
- Quote

Professional/Consulting/Installation/Speaking Services:

- Contract
- Proof of insurance
- Business license

Software, Licensing and Subscriptions for Online Applications

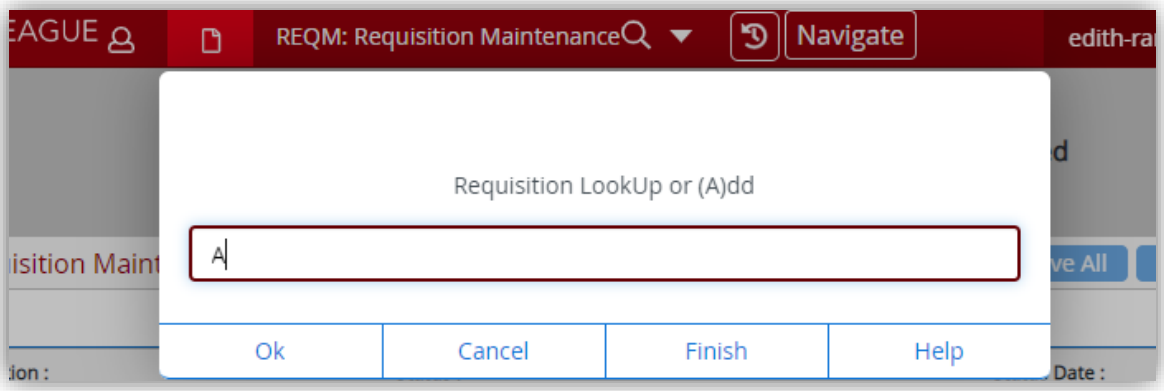
- Dates of coverage
- Terms and Conditions
- Agreement / Contract

Things to Remember

- Shipping and handling is taxable.
- Shipping/freight is not taxable.
- Email requisition # and quotes to purchasing@redwoods.edu.

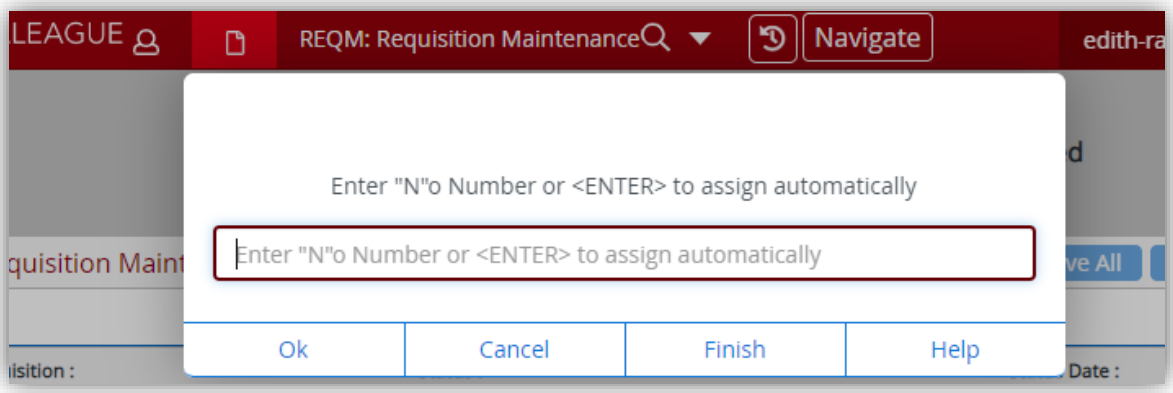
ENTERING A REQUISITION

Start on REQM
Enter “A” for Add, then click “Ok”.

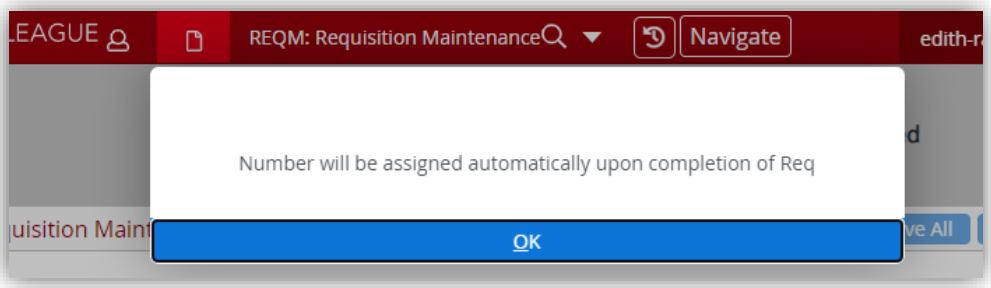


The window below will automatically appear.

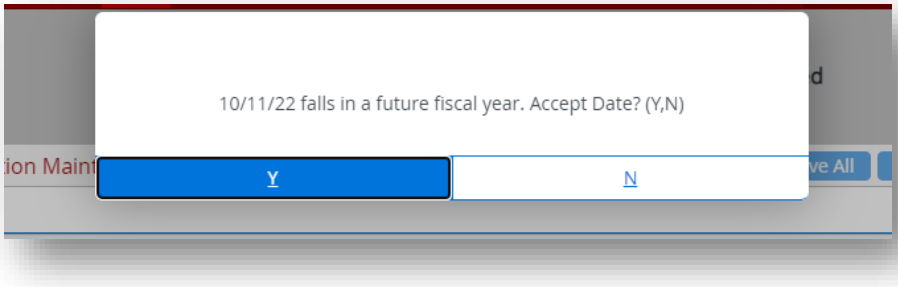
Requisition numbers are assigned automatically, select “Ok” or press enter on your keyboard.
The window below will automatically appear.



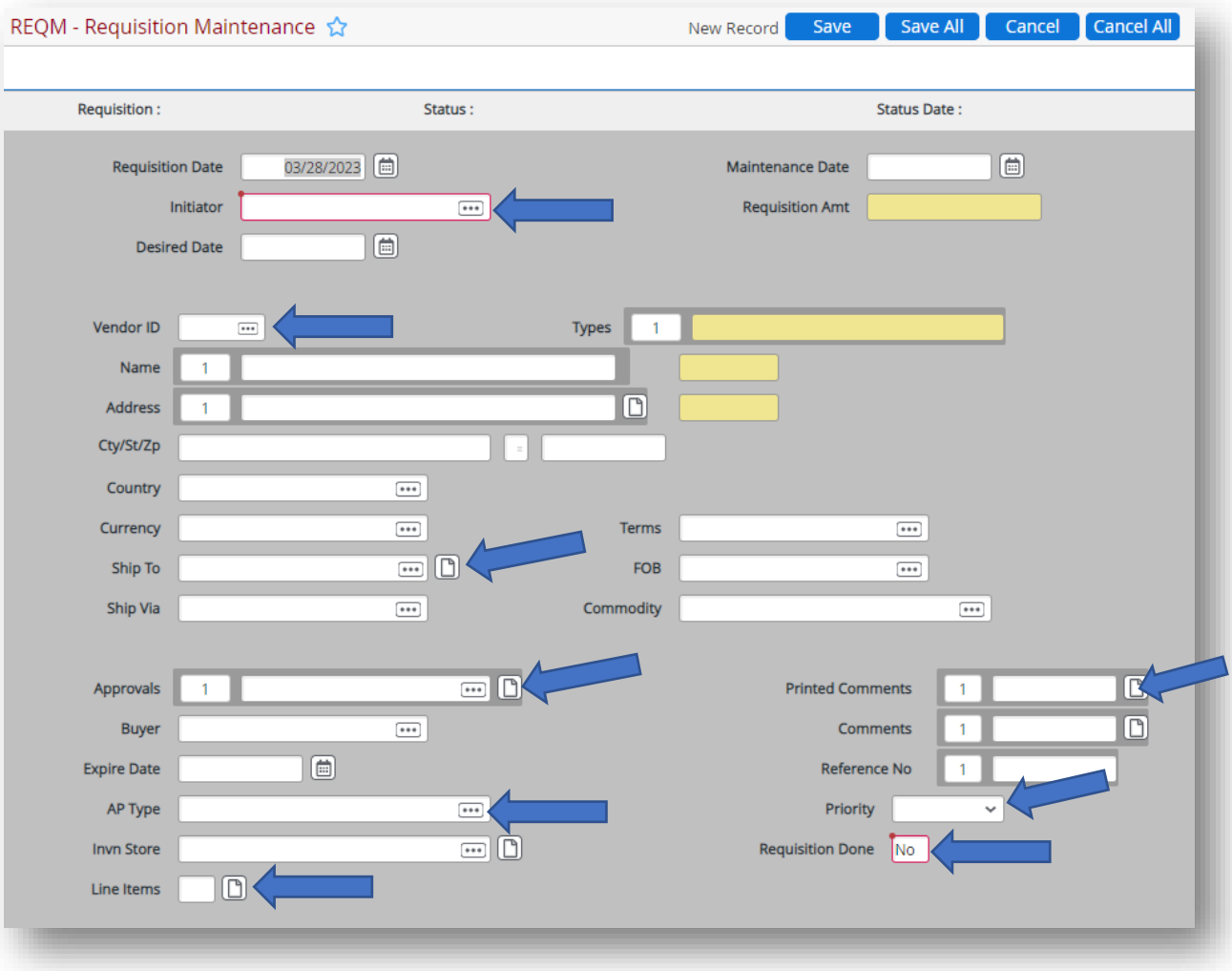
Select “OK”



Select “Y” This window will appear until the books are closed.



On the next window fields marked with arrows are required fields with a brief description below.



Initiator –Your Datatel ID#. If you don’t know your ID# enter your first name and last name.

Vendor ID – If you don't know the vendor's ID# you can search by name.

> ****DO NOT Type in the vendor information in the "Name" field if you are not able to find it, contact the Purchasing Specialist.**

Ship to – This will be your campus location. Ex: Eureka Campus Warehouse, CR Del Norte Campus, CR Eureka Downtown Site.

Approvals – Who needs to approve this requisition. (See screenshot below)

AP Type – REG for District Payables or FND for Foundation Payables

Line Items – The place where you enter what items have been purchased. (See screenshot below)

Printed Comments – Text in this field will appear on the PO. You need to use the tilde sign ~ before and after typing text~ (See screenshot below)

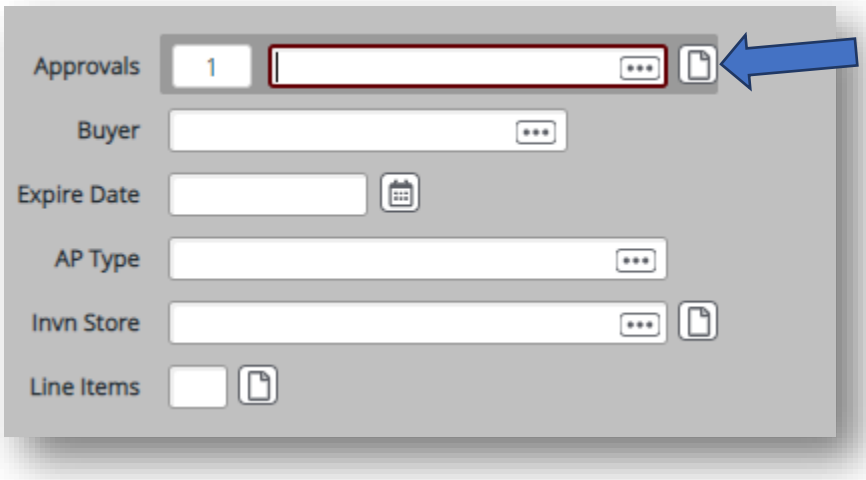
Comments – If approved to use someone else's GL code and you do not have access to it, you can enter the full GL code here.

Priority – Use this to let Purchasing know if it is a BPO or a PO.

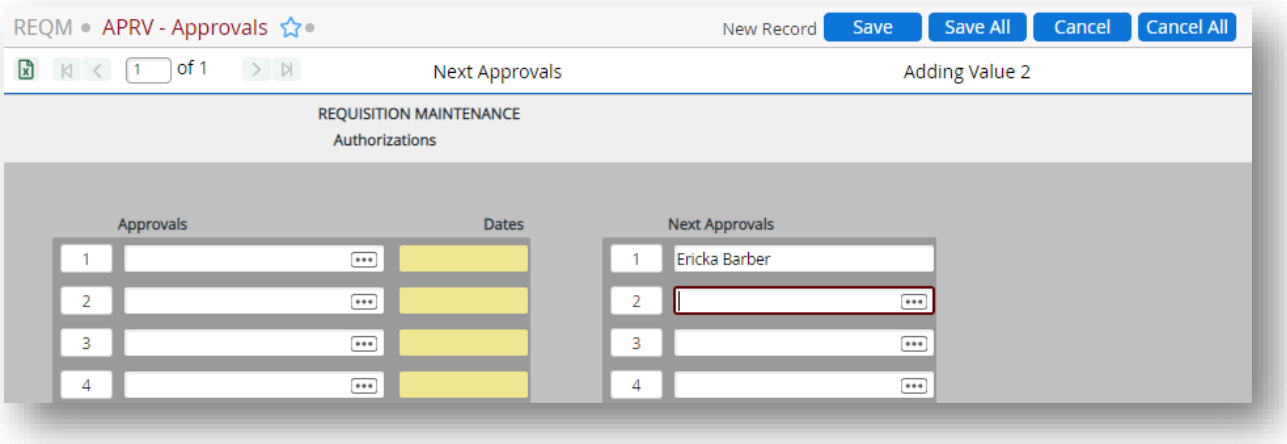
Requisition Done – Mark this as ***Yes*** if you have completed your requisition.

Approvals Screen Shot

Drill into this box



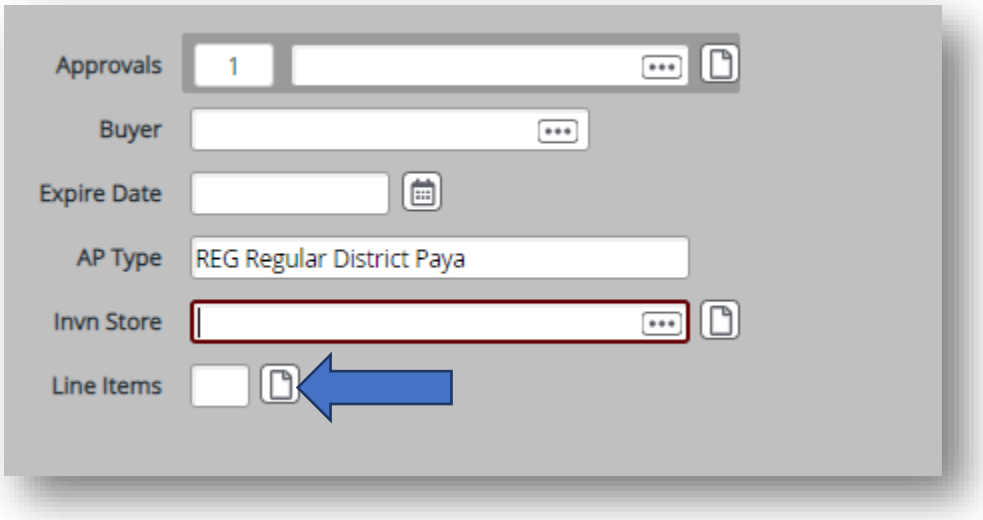
This will take you to the **APRV** Screen. Enter the name of the manager/administrator who needs to approve the requisition. Ex: John-Smith.



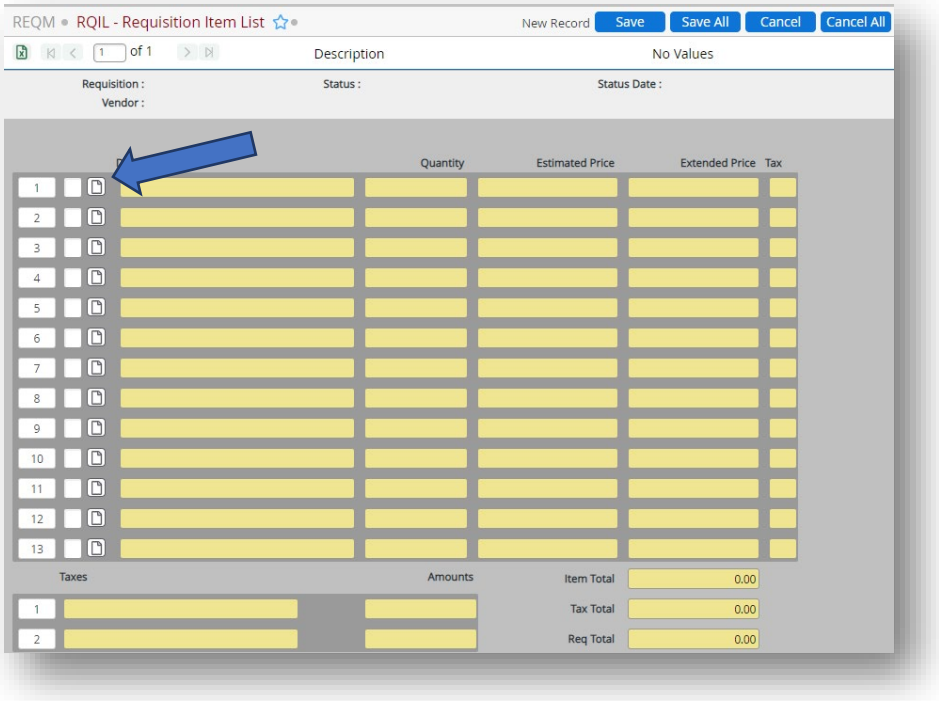
Reminder: If you use an object code starting with 564xx, the Director, Administrative Services will need to be the final approver. Save

Line Items

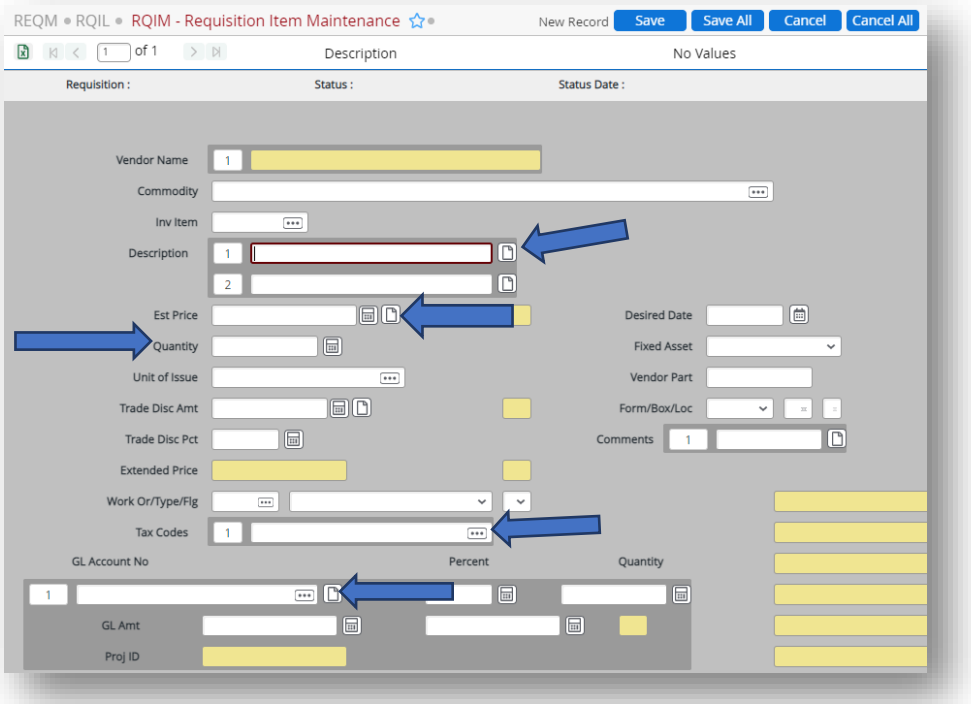
Drill into the line Items.



That will bring you to this screen. Here you will drill into #1.



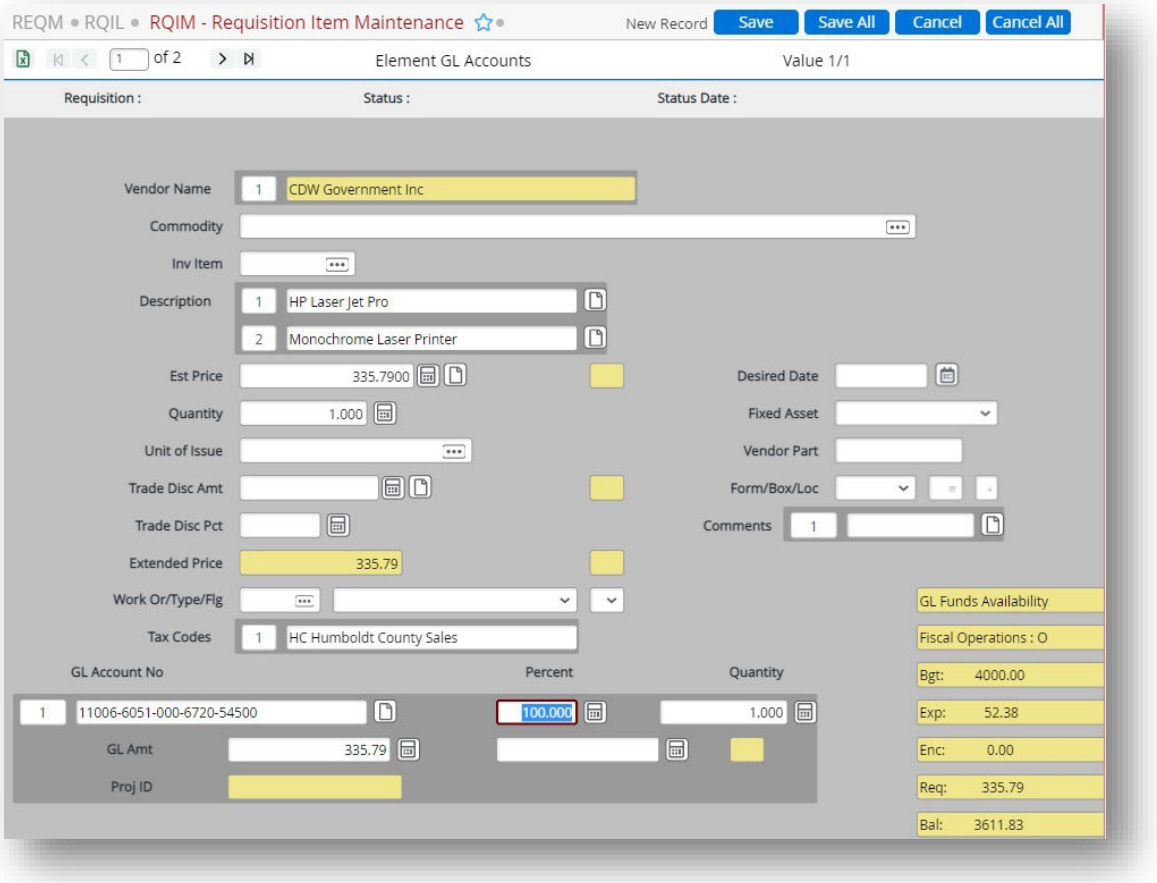
That will bring you to this screen. On this window fields marked with arrows are required fields.



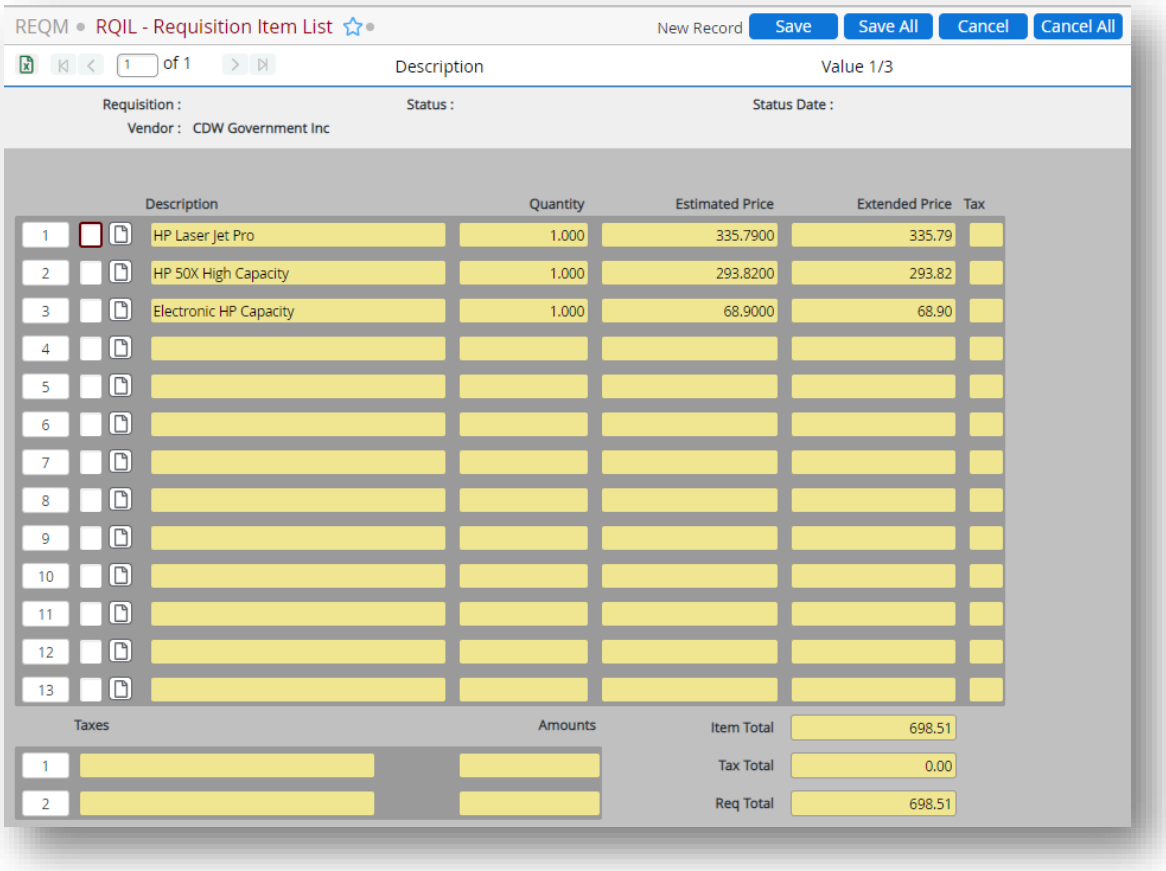
Description – What are you buying, be as specific and brief as possible.

Quantity – How many items you are purchasing.

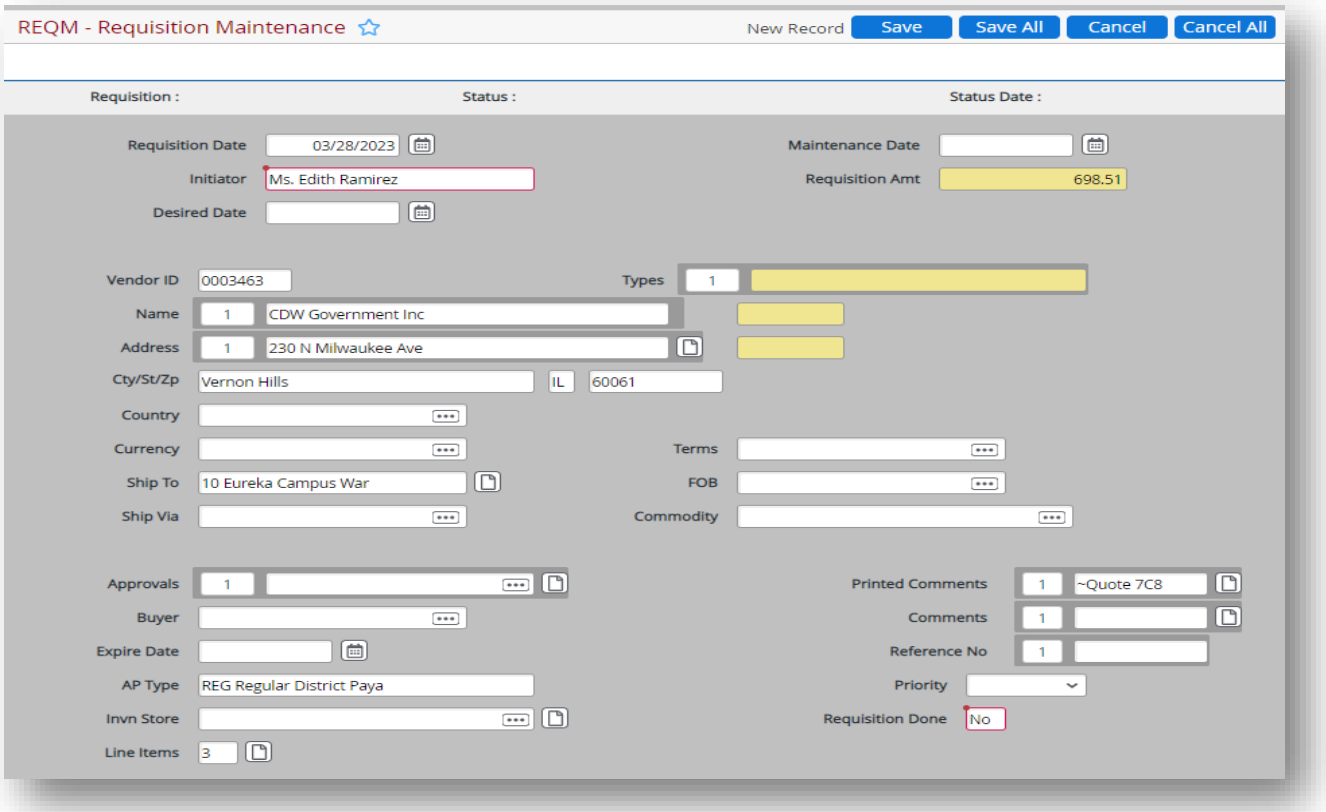
Tax Code –This is only for PO's. Is the order being shipped to the Main Campus, Eureka Downtown, or Del Norte Campus.



After completing this section click the Save icon. This will save your work, and the form will appear blank. If you have more items to enter you will need to repeat the process. If you don't have more items to enter, click the Cancel icon, this will bring you back to the RQIL screen.

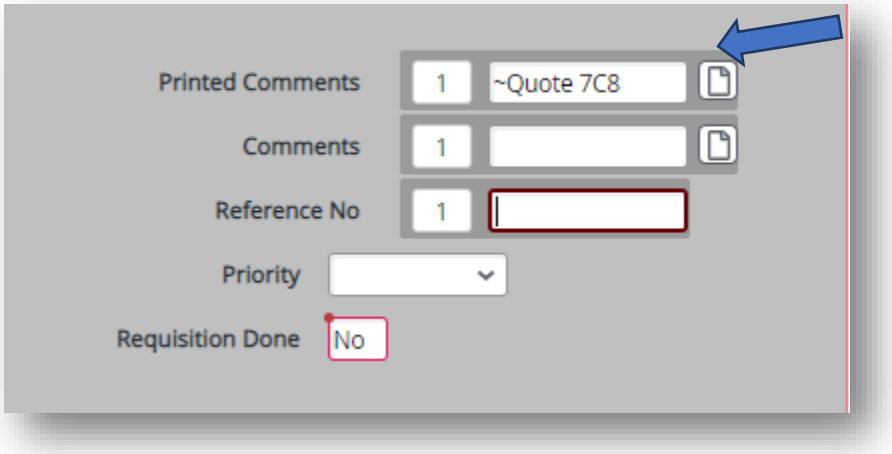


Review your work and if everything is correct click “Save” this will bring you back to the REQM screen.



Printed Comments Screen

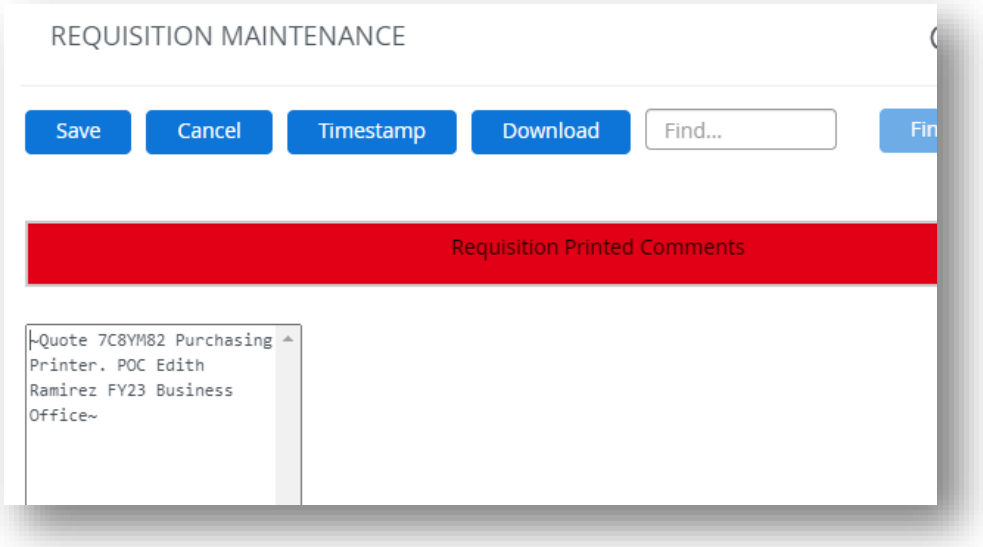
Drill into “Printed Comments.”



That will bring you to this screen.

Here you are going to enter the following information:

- Department.
- Fiscal Year.
- Quote Number.
- Description of items ordered.
- Contract Number, if using a contract.
- Point of Contact (POC) at CR.
- Place or person to deliver items to.

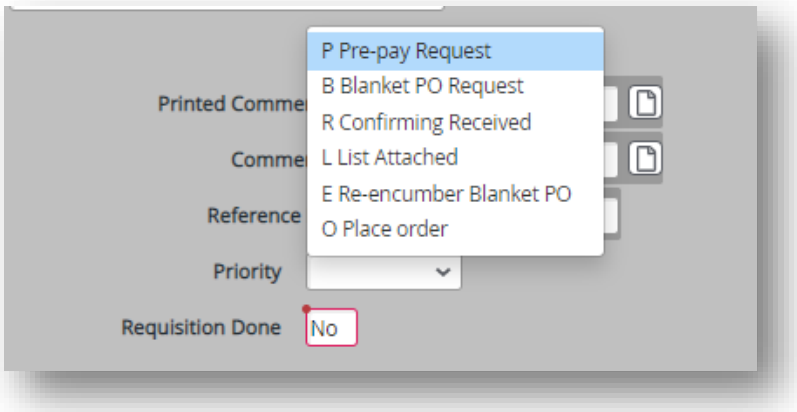


Priority

Choose from the drop down menu

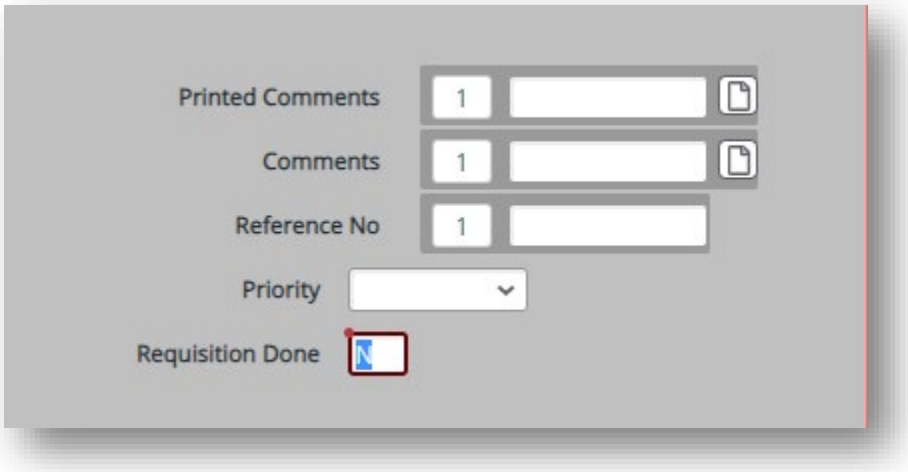
P, R, and O = Purchase Order

B = Blanket Purchase Order



Requisition Done

You need to change this from NO to YES.



Prompt for REQ# comes up, save this number to be added to email for approval.

Email the cost center manager for approval. The email should have the REQ# and vendor name on the subject line.

Once the REQ has been processed, the initiator will receive the PO or BPO to forward to the vendor to purchase items.

APPROVING INVOICES FOR PAYMENT

Cost Center Managers, VP's and the President are the only people who can give "okay to pay" on invoices.

- $0 to $10,930 Cost Center Manager has authority to sign the invoice.
- $10,931 to $54,650 Cost Center Manager signs the invoice, as well as the Senior Administrator over the cost center manager's area signs the invoice.
    - Senior Administrators are: VP of Instruction, VP of Student Services, VP of Human Resources, VP of Administrative Services, or the President
- $54,651 to $437,200 Cost Center Manager, Senior Administrator, and VP of Administrative Services signs the invoice.
- $437,201 and greater Cost Center Manager, Senior Administrator, VP of Administrative Services, and the President each sign the invoice.