

PURCHASING

PURPOSE

To ensure the College will follow a competitive and efficient process for the purchase of supplies, equipment, and services necessary for its operations.

POLICY STATEMENT

Expenditure of all College funds from all accounts and all revenue sources that are used to purchase supplies, equipment, and services shall be made in accordance with procedures adopted pursuant to this policy. Strict adherence to all applicable federal laws, laws of the State of Ohio, College policies and sound business practice will be observed.

The College will give every reasonable opportunity for minority business enterprises to submit bids and proposals for contracts as suppliers, contractors, and consultants. Any commitment made by an employee of the College other than through the procedures adopted pursuant to this policy is the personal responsibility of the person making the purchase.

Purchases from a vendor in which an Edison State Community College employee has a significant proprietary interest are prohibited, unless a full disclosure of the interest is provided before the purchase and the purchase is made in accordance with College procedures and the Ohio Ethics laws.

The College President shall establish procedures to implement this policy.

Authority and Responsibility:

- 1.1 The authority to make purchases on behalf of Edison State Community College is vested in the Controller and his/her Chief Financial Officer, as appointed by the College President. The authority to obligate the College for any expenditure of funds shall be limited to the approval of either the President, Chief Financial Officer, or to an employee who has been delegated that responsibility by the President or Chief Financial Officer, such as a Budget Officer. Employees making unauthorized purchases may be held personally liable for the purchase.
- 1.2 The Controller shall review and approve all purchases, ensuring compliance with this policy, the Ohio Revised Code, and College policies.
- 1.3 Purchases exceeding \$100,000 require three approvals from Budget Officers who have the authority to make purchases that exceed \$100,000. In most cases, this will be the Chief Financial Officer, Controller, and Assistant Controller. A Budget Officer with the ability to make purchases of \$100,000 or greater can be used as a substitute approver.

Purchase Orders:

2.1 Purchase orders must be obtained from the Business Office before making any purchase. Total expenditures on a purchase order may not exceed the purchase order amount by more than 10%

2.2 If a purchase is made prior to obtaining a purchase order, the purchaser must complete and sign a "then and now" certificate, as required by the Ohio Revised Code-ORC 5705.41(D)(2). Certification of the Availability of Funds should be obtained prior to entering the obligation when so required by state law, but, should that fail to occur, the Chief Financial Officer is expressly authorized to subsequently certify any expenditure within the amount already appropriated by the Board of Trustees for the division incurring the obligation if such expenditure is otherwise valid.

2.3. Blanket Purchase Orders: Blanket purchase orders (BPO) are open-ended orders set up for a specified time-period with an established dollar limit. BPOs expire at the end of the fiscal year (June 30), unless an extension beyond June 30th is approved by the Business Office. Total expenditures on a BPO may not exceed the purchase order amount by more than 10%.

2.4. Cancellation or Modification of Orders: Requests to cancel or modify purchase orders should be communicated in writing to the Business Office.

Process for Making a Purchase Out-Of-Pocket and Being Reimbursed:

3.1. Proper approval from your supervisor is necessary prior to making a purchase. Download the proper reimbursement form and submit with receipt(s) to your supervisor for their approval. Once all documentation is ready for submission, the reimbursement form and required documentation should be turned into the Business Office for reimbursement.

Competitive Bidding:

4.1 Competitive bidding shall be utilized whenever practical to ensure fair and open competition among potential vendors. The Business Office reserves the right to request the Budget Officer to obtain competitive quotations regardless of the dollar value whenever, in its judgement, the quotations may serve the College's best interest.

A single purchase or service may not be divided for the purpose of avoiding the bidding requirements and procedures.

4.2 Other than the exceptions noted in the section in this policy entitled *Exceptions to Bidding Requirements*, the purchasing threshold for competitive bidding shall be as follows:

1. For goods:
 - A. Purchases up to \$24,999: Written quotes shall be solicited by the Budget Officer from three vendors if the Budget Officer, Business Office or its authorized agents determine the results may be advantageous to the College. Consideration will be given based on price, quality, and other relevant factors.
 - B. Purchases exceeding \$25,000: Three written quotes shall be solicited by the Budget Officer. Consideration will be given based on price, quality, and other relevant factors.

2. For services:
 - A. Services up to \$24,999: Written quotes shall be solicited by the Budget Officer from three vendors if the Budget Officer, Business Office or its authorized agents determine the results may be advantageous to the College. Consideration will be given based on price, quality, and other relevant factors.
 - B. Services exceeding \$25,000: Three written quotes shall be solicited by the budget officer. Consideration will be given based on price, quality, and other relevant factors.
3. For construction projects:
 - A. Construction projects up to \$24,999: Written quotes shall be solicited by the budget officer from three vendors/contractors if the Budget Officer, Business Office or its authorized agents determine the results may be advantageous to the College. Consideration will be given based on price, quality, and other relevant factors.
 - B. Construction projects between \$25,000 and \$199,999: Written quotes must be obtained from at least three vendors/contractors. Quotes should be reviewed and approved by the Director of Facilities. Consideration will be given based on price, quality, and other relevant factors.
 - C. Construction projects exceeding \$200,000: Formal competitive bidding processes, such as requests for proposals (RFPs) or invitations to bid (ITBs), shall be initiated, allowing for open competition among potential contractors.
 - D. All records of competitive bidding shall adhere to the Inter-University Council of Ohio Records Retention policy which Edison State adheres to.
 - E. Prevailing wages must be paid on projects whose estimated or actual values are equal or exceed the current prevailing wage threshold levels (ORC §4115).

Exceptions to Bidding Requirements:

1. Purchasing Contracts: Bidding for many items purchased by the College has already been conducted in a cooperative environment or are exempted in the Ohio Revised Code. Contract pricing through the State of Ohio, the Ohio Inter-University Purchasing Council (IUC), General Services Administration (GSA), Educational & Institutional Cooperative (E&I), National Joint Powers Alliance (NJPA), National Inter-Governmental Purchasing Alliance (National IPA), US Communities, Provista, Sourcing Office, and The Ohio State University, Ohio Association of Community Colleges, and other group purchasing organizations that competitively bid procedures and services need not be re-bid.
2. Single/Sole Source: Due to the nature of the item or to the sales structure of the company, only a single or sole source is available to purchase the item. Documentation must be submitted to and approved by the Budget Officer to substantiate the choice.
3. Items Procured for Retail Sale: Items procured by the College's auxiliary enterprises for the purpose of retail sales.
4. Certain Professional Services Contracts: While certain service contracts, including legal, architectural and engineering, are exempt from the bidding process, they may be subject to selection guidelines as determined by the Business Office or by state or other laws.
5. Emergency Purchases: Emergency situations where safety, severe damage to College equipment or property, or situations in which the College's ability to continue operations is significantly at risk, bidding procedures will be suspended with the approval of a member of the Cabinet. See section 5.1 for options for making a purchase during an emergency.

4.3 Edison State Community College, however, reserves the right to reject any and all bids or parts thereof or items therein and to waive any informality in bids received whenever such rejection or waiver is in the best interest of the College.

4.4 The authority to obligate the College for any expenditure of funds shall be limited to the approval of either the Board of Trustees, the President, the Chief Financial Officer, or an employee who has been delegated that responsibility of budget authority by the President or the Chief Financial Officer. Employees making unauthorized purchases may be held personally liable for that purchase.

4.5 The Budget Officer shall ensure compliance with the appropriate bidding thresholds and guidelines as specified in the Ohio Revised Code and College policies. Information regarding appropriate bidding requirements may be requested by the Business Office or Administration for review.

4.6 Exceptions to the competitive bidding process may be made under limited circumstances, such as emergencies or when authorized by the College President, Chief Financial Officer, or their designee. All exceptions shall be properly documented and justified in accordance with the Ohio Revised Code and College policies.

Emergency Purchases:

5.1. In times of an emergency, due to natural disaster or other catastrophe, or when the Business Office is inaccessible and/or enterprise resource planning software is inoperable, emergency purchasing procedures will apply. Depending on the severity and location of the emergency, or if IT operations are down including servers, the ERP system and phones, one or more purchasing processes could be followed.

5.2. If requisitions, purchase orders and checks cannot be used to pay suppliers, the options for buying goods and services include College credit card, ACH, or wire transfer and employee reimbursement as discussed in this policy.

5.3. Questions regarding emergency purchases should be addressed to the Controller or Chief Financial Officer to ascertain the best option and to avoid any personal liability. In an emergency, the purchaser should act in a prudent manner and seek proper approval from their supervisor, or someone with authority, if possible.

Vendor Selection:

6.1 Vendors shall be selected based on their ability to meet the College's requirements for quality, cost-effectiveness, reliability, and compliance with applicable laws.

6.2 The College shall encourage the participation of local, small, and disadvantaged businesses in its procurement process, whenever feasible and in compliance with the Ohio Revised Code.

Solicitation of Bids/Proposals:

7.1 Formal solicitations, such as requests for proposals (RFPs), requests for quotes (RFQs), or invitations to bid (ITBs), shall be used to obtain competitive bids whenever required.

7.2 Solicitations shall be publicly advertised in accordance with the Ohio Revised Code and College policies, allowing sufficient time for interested vendors to respond.

Contract Approval and Execution:

8.1 All contracts shall be reviewed by the College's legal counsel and approved by the appropriate College authority prior to execution. All signed contracts should also be in accordance with the College's Signatory Policy.

8.2 The President or his designee should review and be made aware of any contract(s) before signature occurs.

8.3 Contracts shall be in writing and include clear terms and conditions, specifications, pricing, and performance expectations.

Purchasing Ethics and Conflicts of Interest:

9.1 All employees involved in the purchasing process shall act with honesty, integrity, and in the best interest of the College.

9.2 Employees shall disclose any potential conflicts of interest and recuse themselves from the decision-making process when such conflicts arise.

Record Keeping and Documentation:

10.1 The College shall maintain accurate and complete records of all purchasing transactions in accordance with the Ohio Revised Code and College policies.

10.2 Documentation shall include purchase orders, bids, contracts, invoices, receipts, and other relevant records. Documentation shall be kept in accordance with the Inter-University Council of Ohio records retention policy which Edison State adheres to.

Compliance and Audit:

11.1 The College shall periodically review and evaluate its purchasing practices to ensure compliance with the Ohio Revised Code and College policies.

11.2 External audits may be conducted to assess compliance and identify opportunities for improvement.

Credit Card Purchasing Guidelines:

12.1 College-issued credit cards may be used for authorized purchases in accordance with the College's Credit Card Policy.

12.2 Credit card purchases shall adhere to purchasing thresholds and guidelines specified in this policy and the Ohio Revised Code.

12.3 All credit card purchases must be properly documented, supported by receipts, and reconciled in a timely manner.

Conclusion:

This Purchasing Policy is designed to ensure that Edison State Community College procures goods, services, and construction projects in a transparent, ethical, and legally compliant manner. By adhering to this policy, the College aims to achieve the best value for its resources while promoting fairness and integrity in the procurement process.

PERSONS AFFECTED

All Edison State Community College employees, vendors, contractors, and businesses seeking contractual services with Edison State.