

Division: OPERATIONS

Policy Title: Procurement – Federal Awards

Policy Statement: Garden City Community College will conduct all procurement activities with Federal Funds in accordance with State and Federal laws and College policies and procedures such that students, staff, faculty, and taxpayers receive full value for each dollar of public funds spent. The College procedures conform to open, ethical, and sound procurement policies. This policy addresses general procurement standards, methods of procurement, purchase transmittal procedures, and Garden Community College procurement policies and procedures:

1. Focus on the stewardship of public funds;
2. Advance and support the mission of the institution;
3. Promote a competitive and fair procurement environment; and
4. Are open and transparent, including adherence to the Kansas Open Records Act.

Procedures:

Procurement Standards

In all contracting and procurement actions, Garden City Community College strives for:

Maximization of Competition. Specifications are written to allow the purchasing process to be as open as possible to qualified vendors, suppliers, and contractors.

Equal and Fair Competition. The College will provide each vendor with the same information regarding product or service needs/specifications and will keep vendor responses (*such as price quotes*) confidential until the purchase is awarded.

Best Value at the Lowest Price. Preference shall be given to local vendors, who can provide like-quality products and services and whose price is within 10% of the lowest price. For purchases being made with Federal Funds, the purchase must be made at the lowest price for the product or service that best meets the needs of the requester (no preference for local vendors).

All purchases with Federal funds over \$10,000 must be made using the applicable Method of Procurement identified below. The process must comply with all Federal requirements including fair and open competition. The College may not specify a specific brand name, vendor, or company. The Request for Proposal (RFP) shall not contain brand-name-only competition.

- Requests for Quotations (RFQs) may be used to solicit offers from vendors to establish pricing and terms/conditions. RFQs may be solicited informally via facsimile, electronic mail, written documentation or verbally.
- Request for Bids (RFBs) may be used to solicit offers from vendors for goods and services that exceed \$50,000 and done on a formal basis with a written RFB document through a sealed bidding process. All formal bids shall be open to the public and results shall be considered public information after a bid is awarded or all bids are rejected.

- Requests for Proposal (RFPs) may be used where and whenever the College determines that because of the nature and complexity of the goods and/or service to be acquired, it would be in the best interest of the College to seek proposals rather than quotations or bids. In this event, the College reserves the right to accept or reject any and all proposals, in whole or in part, to take exception to any RFP specifications, to make an award based solely on the proposals received, or to negotiate further with one or more vendors. The College also reserves the right to negotiate a contract with the selected vendor which is at variance with the RFP.

Methods of Procurement

1. Micro Purchases – Micro-purchase- Is defined as an acquisition of supplies or services, the aggregate amount of which does not exceed the threshold as defined in § 200.320 (Federal Register, Vol.78, No. 248/Thursday, Dec. 26, 2013/Rules and Regulations). Standard procedures for the procurement of supplies, equipment, and services on purchases the aggregate dollar amount which does not exceed \$10,000.

- Authorized employees may select supplier or vendor by an unrestricted open market process. Quotes may or may not be solicited, as determined by the department soliciting the supplies/vendor. No purchase shall be made except on the basis of quality, cost, and service.
- To the extent practicable, the College will distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the College considers the price to be reasonable.

Garden City Community College is aware of the Miro-purchase Policy as defined in 200.320 (78632, Federal Register, Vo. 78, No. 248/Thursday, December 26, 2013/Rules and Regulations) and voluntarily complies.

2. Small Purchases – Standard Procedures for the procurement of supplies, equipment, and services on purchases of more than \$10,000 but less than \$50,000.

- Purchases cannot be made without seeking at least three competitive quotes or bids. Bid specifications, and/or requests for proposals, may be used when the College determines that because of the nature and complexity of the goods and/or services, it would be in the best interest of the College to do so. No purchase shall be made except on the basis of quality, cost, and service.

3. Sealed bids – Standard Procedure for the procurement of supplies equipment and services more than \$50,000 but less than \$250,000.

- A complete, adequate, and realistic specification or purchase description is available;
- Two or more responsible bidders are willing and able to compete effectively for the business; and
- The procurement lends itself to a firm fixed price contract and the selection of the bidder can be made principally on the basis of price.

- Bids must be solicited from an adequate number of suppliers, providing sufficient response time prior to the date set for opening the bids and the bids must be publically advertised.
- Where specified in bidding documents, factors such as transportation cost, and life cycle costs must be considered in determining which bid is lowest.
- All information, except that classified as confidential and/or proprietary, will become public information at the time that the Bid is awarded in accordance with applicable sections of the federal "Freedom of Information Act (FOIA)";
- Requests for information or review of the documents shall be made to the Chief Financial Officer or his/her designee. An appointment to review the file shall be made with the Chief Financial Officer at a mutually convenient and reasonable time. The reviewer shall not take possession of any of the documents in the file. All proprietary information shall be removed from the file prior to the review;
- Any or all bids may be rejected if there is a sound documented reason.
- Bonding requirements must be met.

4. Competitive Proposals – Standard Procedures for procurement by competitive proposals greater than \$250,000 – usually construction projects.

The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

- Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
- Proposals must be solicited from a number of qualified sources;
- The College must have a written method for conducting technical evaluations of the proposals received and for selecting the recipients;
- Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered;
- The College may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitor's qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort; and
- Bonding requirements must be met.

For items which require quotes or bids (Greater than \$10,000, #2, #3, #4 and #5 above), bid/quote requests may be solicited using the following options:

- Vendors that have previously done work for the College
- Local Yellow page listing
- Regional Yellow page listing
- Internet Business listings
- Vendors that respond to plan rooms, architects, newspaper requests for bids, etc.

The College must conduct a cost or price analysis before receiving bids or proposals, in connection with every procurement in excess of \$250,000, including contract modifications. See also §200.323 (a-d), (Federal Register, Vol.78, No. 248/Thursday, December 26, 2013/Rules and Regulations).

- **Cost analysis** is the review and evaluation of cost to determine whether it is reasonable, allocable, and an allowable cost. *Cost analysis* involves an examination of all the elements used in calculating a contract's total estimated cost. For example, when fixed price contracts are based on cost estimates, grantees should perform a cost analysis to determine the reasonableness of the prices. Every cost element listed in the vendor's offer must be examined. Additional cost analysis should be done if there are contract modifications that introduce new conditions or more current information is needed.
- **Price analysis** involves a comparison of marketplace prices. There are various ways to conduct a price analysis. These include comparing offered prices including discounts with those listed in commercial catalogs, or with those recently submitted for similar services. It can be done, for example, by comparing the price quotes submitted by vendors, or by telephoning other vendors to obtain their market price, or simply comparing published market prices.

Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder who bid, conforming will all the material terms and conditions of the invitation for bids, is the lowest price.

The sealed bid method is the preferred method for procuring construction if the following conditions apply:

- A complete, adequate and realistic specification or purchase description is available;
- Three or more responsible bidders are willing and able to compete effectively for the business; and
- The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

Garden City Community College reserves the right to refuse any and all bids and to award bids that are in the best interest of the College as determined by the College The college cannot contract with vendor who has been suspended or debarred. www.sam.gov

Contractor Bonding & Equal Opportunity Employer

(K.S.A.) 60-1111 requires that any contracts for construction projects, improvements, or building repairs in excess of \$100,000 be bonded. Contractor shall provide sufficient surety bond in a sum not less than the sum total of the contract.

(K.S.A.) 44-1030 requires that any contract for construction projects, improvements, or building repairs in excess of \$100,000 include the provision that the contractor shall not discriminate against any person in the performance of work under the present contract because of race, religion, color, sex, disability, national origin or ancestry; and in all solicitations or

advertisements for employees, the contractor shall include the phrase, "equal opportunity employer".

5. Sole Source/Single Source Procurement

In cases where there is no practical value in soliciting competition for materials or equipment and where only one source is available, it is possible to make the purchase without formal bidding. Standard Procedures for the procurement of supplies, equipment, and services through solicitation of a proposal from only one source:

- Sole Source-Defined
Sole Source is procurement in which only one vendor is capable of supplying the commodity or service. This may occur when the goods or services are specialized or unique in character. Written justification will be provided. 'Sole' means 'the one and only'.
- Single Source-Defined
Single Source procurement will be followed when, although three or more vendors supply the commodities or services, the department selects one for substantial reasons, eliminating the competitive bidding process. 'Single' means 'the one among others'.

The Chief Financial Officer will evaluate each request and make a determination whether a sole source/single source acquisition is appropriate. The Sole Source/Single Source procurement procedures may be used only when one or more of the following circumstances apply:

- The item is available only from a single source;
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the College; or
- After solicitation of a number of sources, competition is determined inadequate.
- A Sole Source Justification Letter is submitted to the Chief Financial Officer for review and approval.
- The Sole Source purchase is approved in writing by the Chief Financial Officer.

Any purchase or expenditure of \$50,000 or more requires Board approval.

Careful distinction must be used when determining between "sole source" and "sole product." If only one product will do the job, but that product is available from different vendors, a "sole source" acquisition is not appropriate. Contact the Chief Financial Officer for additional information or clarification.

Sole Source Justification

Submit a [Garden City Community College Bid Record](#) to the Chief Financial Officer that includes:

- A product description, including quantity and technical features.
- History of prior purchases and their nature (competitive vs. noncompetitive)
- Statement as to the unique circumstances that require award by noncompetitive bid/proposal.

- An explanation of why the product is unique, if applicable: either (a) The product has special technical qualities, essential to the proposed use/function, and no acceptable substitutes are available from another supplier/manufacturer; or (b) The product is a replacement or auxiliary part to match existing specialized equipment with unique physical design and quality requirements serving a particular function/use.
- Proof of no known equal, including a description of attempts to find an equal from other vendors and verification/information of only one available source.
- An explanation that the purchase price is reasonable: (a) Attach documents that prove that the manufacturer offers the best price available because a purchase from a distributor includes the distributor's mark-up. (b) Attach a written certification letter from the vendor that its sales price is the best price it offers to any similarly situated educational or non-profit customer.
- Description of the efforts made to find competitive sources.
- Statement as to the efforts that will be taken in the future to promote competition for the requirement.
- Letter must be approved by the supervising Dean/Director and the Chief Financial Officer.

Employees as Vendors

The basic principle underlying procurement ethics is that those in public service should use their positions for the College benefit and not for their own private gain or the private gain of another. The use of Garden City Community College employees to provide goods or services is strongly discouraged. ANY purchases from an employee should show evidence of competition and be approved in advance by the Chief Financial Officer.

An Employee acting as a potential vendor or an employee who has a relative who is a potential vendor, must disclose this relationship via the form titled [Conflict of Interest Disclosure Form](#) on an annual basis so long as the relationship exists.

Contacts: Chief Financial Officer

Approved Date: 10/20/2020

Policy History:

Keywords: RFP, purchase, bid, equipment, federal, award

Related Form: *GCCC Bid Record, Conflict of Interest Disclosure Form*