
**LAKE-SUMTER STATE COLLEGE
ADMINISTRATIVE PROCEDURE**

TITLE: REQUISITION/PURCHASE PROCEDURES

NUMBER: PRO 6-09

REFERENCE: Rule 6.09

PAGE: 1 OF 9

State Board of Education Administrative Rule 6A-14.0734

Florida Statute 287.017

Florida Statute 287.057

I. PURPOSE:

To establish procedures for acquiring goods and services in the best interest of the College through a fair and competitive process.

Except in the instances declared by the President to be an emergency and approved by the State of Florida (exceptions may occur in accordance with Florida Statutes), bids and quotes for goods and services shall be competitive and shall be awarded equitably and economically.

II. RESPONSIBILITY:

The Vice President of Financial Services/CFO shall preside over the implementation of the purchasing process.

III. PROCEDURE

Conflict of Interest: No employee, officer, or agent shall participate in a college purchase, or in the selection, award, or administration of a contract supported if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub-agreements.

Supplier Contact: As noted in all Procurement bid documents, no supplier contact is allowed with any College personnel other than Procurement during the formal competitive bid process.

Non-College Purchases: Purchases may only be made for legitimate College purposes. Any purchase for personal use or for the benefit of non-College organizations are strictly prohibited.

IV. SPENDING THRESHOLD STANDARDS

Dollar thresholds provide guidance in determining whether goods and services must be procured through an informal competitive solicitation process, a formal solicitation, or an alternative method of acquiring goods and services. The established threshold amounts are not applicable on a per item basis, but for the total amount of the purchasing quote, including but not limited to the cost of the goods or services and shipping and handling charges. When applicable, consolidation of commodity purchases is highly encouraged to maximize high volume discounts. The limits set forth are also applicable to purchases under Federal Grants. Any exceptions to these guidelines must be approved in advance by the Director of Procurement.

Up to \$10,000.00 – A minimum of one verbal, written or catalog quote is required to be obtained by the requesting department if processing a purchase order.

\$10,001.00 through \$20,000.00 . Two (2) written quotes identifying the best value for the requested commodity or service is required, unless otherwise exempt as per applicable Florida law and regulations. Departments are encouraged to source the market and cooperative purchasing contracts to ensure best value.

\$20,001.00 through \$65,000.00 Three (3) written quotes, identifying the best value for the required commodity or service, are required to be obtained by the requesting department. Informal competition/bidding generally is required, except as otherwise exempt in applicable Florida law and regulations. Departments are encouraged to source the market and use cooperative purchasing contracts to ensure best value. The Procurement Department can provide assistance in verifying pricing and cooperative contract opportunities. The award generally shall go to the lowest priced responsible/responsive supplier who meets the requirements of the specifications. When lowest quote is not used, written justification must be approved by Procurement prior to purchase. In those rare instances when the required number of suppliers is not available, and/or it is in the best interests of the College, the requestor, or a procurement representative, must document the situation in consultation with Procurement.

\$65,000 or greater - Competitive Solicitation/Formal Bid is required, unless otherwise exempt as per applicable Florida law and regulations for each purchase over Category (3) three (\$65,000) per Florida Statutes Section 287.017, or greater. The requesting department requests a purchase requiring solicitation from, and submits a Scope of Work to purchasing. Procurement will determine if an existing contract may be utilized or otherwise will create a formal solicitation package.

\$195,000.00 or greater-Awards that exceed \$195,000.00 require Board of Trustees approval. Departments shall allow additional lead time when Board Approval is required. The contract and subsequent purchase order may only be released to the vendor after The Board approves the award of the bid.

Splitting of Orders: Employees may not split foreseeable or related purchases into two or more transactions for the purpose of circumventing the competitive solicitation requirement for purchases over Category (3) three (\$65,000), per Section 287.017, F.S., which should include initial contract cost with all renewal costs. Consideration should be given to consolidating purchase orders to obtain a more economical volume purchase price.

V. PROCUREMENT LEAD TIME

Lead times for Procurement to process requisitions will vary based on several factors, including time required to obtain any additional essential information and to the complexity of the product or service. Lead time begins after a requisition is both successfully submitted with necessary documents, and all on-line approvals are completed. If funds must be encumbered, delivery completed, and invoice paid by a specific date to meet the terms of a grant or for any other reason, this must be stated in the requisition header comment section.

| <u>Requirement Type:</u> | <u>Processing Lead Time:</u> | |
|--|------------------------------|---------------|
| Requisitions received with required quotes | 1-2 | Business Days |
| Request for Quotes | 5-15 | Business Days |
| Invitation for Bids (ITB) | 45-75 | Calendar Days |
| Request for Proposals (RFP) | 30-90 | Calendar Days |
| Request for Qualifications (RFQ) | 30-90 | Calendar Days |
| Request for Information (RFI) | 30-90 | Calendar Days |
| Request for Co-Ops (RFC) | 30-90 | Calendar Days |
| Invitation to Negotiate (ITN) | 60-150 | Calendar Days |

VI. PROCURING GOODS AND SERVICES LESS THAN \$65,000

Defined as informal competition or informal bidding.

- a. **Request for Quotes (RFQ):** Departments may obtain written quotes from suppliers for goods and services up to \$65,000.
- b. **Important Information to Consider:**
 1. A supplier is not authorized to commence work until a purchase order has been issued by the College's Procurement Department;
 2. Employees are not authorized to not sign vendor quotes as they may contain terms and conditions not acceptable to the College;
 3. The use of lump sum quotes when providing services is discouraged. Request itemized quotes;
 4. The College is tax-exempt, quotes should not include sales tax;
 5. If purchasing a service, determine if a contract is required;
 6. Always ask the supplier if educational discount opportunities exist;
 7. Ask for Cooperative Purchasing Contract Pricing, if available; and
 8. Encourage the participation of certified Minority, Women Owned Businesses (MWBE);
- c. **Factors to Consider in Quotation Evaluation:** In determining whether a quotation is acceptable, other non-price factors such as those listed below should be taken into consideration. A written justification must accompany the requisition when the lowest acceptable offer, alone or in the event of a tie, is not being selected. Non-price factors to consider include but are not limited to:
 1. Compliance with technical specifications, relevant standards and technical norms;

2. Compliance with existing equipment when there is an approved standardization plan;
 3. Compliance with required delivery schedule needs;
 4. Examination/comparison of samples;
 5. Experience of the firm;
 6. Guarantees, availability of spare parts, after-sales services and training;
 7. Warranty and payment terms; and
 8. Past and promised performance of the supplier
- d. **Tie Bids (informal quotes):** Tie bids are defined as two or more bids which are equal with respect to price, quality and service. In the event of a tie bid from two or more suppliers, after taking into consideration non-price factors, the following additional factors are considered:
1. Local (Central Florida) suppliers receive preference over other suppliers;
 2. If none are (1), then, Florida suppliers receive preference over out of state suppliers;
 3. If none or all are (2), then, suppliers furnishing Certification of a drug free workplace (see also 287.087 FS) receive preference;
 4. If none or all are (3), then, tie bids may be determined by a coin toss.

VII. PROCURING GOODS AND SERVICES \$65,000 OR GREATER

Competitive solicitation, also known as Formal Bid, generally is required for each purchase over Category (3) Three (\$65,000), per section 287.01, F.S., except as otherwise provided in applicable Florida law and regulations. The requesting department will submit the requirements and Scope of Work to Procurement. Procurement will be responsible for creation of Formal Solicitation package. Formal Solicitations are public advertised solicitations requesting competitive sealed proposals, with a designated place, date and time for opening.

- a. **Identify the Correct Competitive Solicitation Method:** Once the requirements and Scope of Work is received, the Procurement Department will determine which competitive solicitation method is most appropriate to fulfill the procurement needs. A solicitation may be cancelled by Procurement at any time and should not be construed as an order for any college departments to make any purchase or other commitment.

Approved solicitation methods include:

1. **Invitation to Bid (ITB):** The Invitation to Bid may be used when the College is capable of specifically defining the scope of work for which a contractual service is required or when the College is capable of establishing precise specifications defining the actual commodity or group of commodities required. Bidders must meet the applicable minimum qualifications, project scope, specifications and services standards. While the ITB is more concerned with the pricing than the conceptual ideas of the project, the College will award a Contract to the most responsible and responsive vendor that the College determines will provide the best overall value to the College.
2. **Request for proposals (RFP):** The College shall use a Request for Proposal

when the purposes and uses for which the commodity, group of commodities, or contractual service being sought can be specifically defined and the College is capable of identifying necessary deliverables. The intent of an RFP is to allow the selection of the most qualified supplier at the best price for the specified project. RFPs for services typically involve consideration of other factors in addition to a price quote, such as, a company's history, capabilities, and financial capacity. Various combinations or versions of commodities or contractual services may be proposed by a responsive supplier to meet the specifications of the solicitation document. An Evaluation Committee evaluates all of the qualifications. Evaluation criteria and points will be allotted for each factor based on the information in the solicitation, as determined by the College. The College (Evaluation Committee) may decide to interview a select group of vendors. Final terms and price are subject to negotiation by authorized College representatives. An RFP is generally known as "best value procurement" because the award decision is based on a combination of price and non-price factors.

3. Invitation to Negotiate (ITN): Invitation to Negotiate (ITN) is a solicitation used by the College that is intended to determine the best method for achieving a specific goal or solving a particular problem and identifies one or more responsive suppliers with which the College may negotiate in order to receive the best value. The ITN must describe the questions being explored, the facts being sought, and the specific goals or problems that are the subject of the solicitation. The criteria that will be used for determining the acceptability of the reply and guiding the selection of the suppliers with which the College will negotiate must be specified. The College shall evaluate replies against all evaluation criteria set forth in the Invitation to Negotiate in order to establish a competitive range with which to commence negotiations. As part of the negotiations, the College (Evaluation Committee) may choose to conduct interviews and request a Best and Final Offer (BAFO). After negotiations are conducted, the College shall award the contract to the most responsible and responsive supplier that the College determines will provide the overall best value to the College, based on the established criteria.
4. Request for Qualifications (RFQu): This solicitation method is a process that intends to develop a pool of qualified suppliers when the College cannot or has not completely established the scope of services. It is not a bid process. An RFQu involves a two-step competitive process beginning with the issuance of the RFQu, when the scope of work and/or specifications are incomplete and only those firms selected in the opening qualification phase will be included in the pool. For the second phase, once a project's scope of work and/or specifications have been identified, only those qualified suppliers who remain in the pool following the first phase will be included in any subsequent Request for Proposals (RFP) or Request for Quotes (RFQ) solicitation process.
5. Request for Information (RFI): This solicitation method is used when seeking or gathering information to learn the market. The College will identify its requirements or expectations and requests specific answers for how the supplier will meet them. The intent of the RFI is to reduce the time and costs

involved in evaluating potential suppliers and help ensure that bid participants are directly aligned with the needs of the College. Its primary objective is to determine which suppliers should receive an applicable request (i.e. ITB, RFP, ITN, etc.). A contract generally will not be awarded to any supplier as a result of an RFI.

6. Request for Co-ops (RFC): This solicitation method is a process that the College may use when seeking comparative terms and pricing and when requesting the best and final offer from available Cooperative Purchasing Contracts (Group Purchasing Organization (GPO) or a United States Governmental entity) in which the College may be offered the same or better pricing and contract terms as received previously by another entity resulting in "Piggyback" contracts. RFC may be used in order to ascertain the best price for the goods or services by leveraging the benefits of volume purchases, delivery and supply chain advantages, best practices and the reduction of administrative costs.
- b. **Formal Solicitation Approval**: The President must approve all formal solicitations prior to their posting.
- c. **Advertising** The bid package shall be prepared and legal notice advertised in appropriate media to notify potential bidders. All items requiring bids are the responsibility of the Purchasing Department to advertise in a local newspaper of major circulation in compliance with State Board of Education Rules.
- d. **Bid Openings & Awards** - Bids may be opened by individuals designated by the President or designee. Such bid openings will be held in accordance with good business practices and legal requirements. Bids shall be brought to the President/District Board for award or other action. The President/District Board may reject all bids and request new bids. In accepting bids, the President/District Board shall accept the bid that presents best value to the College.. If other than the lowest bid meeting specifications is accepted, the President/District Board shall enter the justification in the file or minutes of the District Board.
- e. **Bid Appeals** - The results of bid tabulations shall be posted on LSSC Purchasing website.

Any person who is affected adversely by the College's decision on a bid- solicitation or awarding, may file a notice of protest as authorized by law.

Upon receipt of the protest, which has been timely filed, or in the interest of safety or public welfare, the President shall stop the bid solicitation process or the contract award process, without delay.

A formal written protest as required by law shall be filed timely. Failure to file either notice constitute a waiver of proceedings as allowed under Florida Statutes. The formal written protest shall contain specific reasons for contesting the bid action.

Efforts to resolve the protest by mutual agreement shall be provided within seven days (excluding Saturdays, Sundays and legal holidays) of receipt of the formal written protest. Should the dispute remain unresolved, hearing proceedings shall be arranged in accordance with Chapter 120, Florida Statute.

VIII. PURCHASES EXEMPT FROM BIDDING REQUIREMENTS

As established by 6A-14.0734, F.A.C., Procurement Requirements, the requesting department must reference the appropriate exemption on the relevant documentation for any purchase that falls into one of the categories exempt from bidding requirements. While a competitive solicitation may not be required, the exemption pertaining to certain goods and contractual services does not prohibit a department from electing to procure them through the competitive process if it is deemed in the best interest of the College. These exemptions are not applicable when federal funds are used for a purchase. For departments utilizing federal funds.

As established by 6A-14.0734, F.A.C., Procurement Requirements, the following contractual services and commodities are not subject to the competitive-solicitation requirements for **non-federally funded** purchases:

- a. Educational tests, textbooks, instructional materials and equipment, films, filmstrips, video tapes, disc or tape recordings or similar audio-visual materials, graphic and computer based instructional software.
- b. Library books, reference books, periodicals, and other library materials and supplies.
- c. Purchases at the unit or contract prices established through competitive solicitations by any unit of government established by law or buying cooperatives.
- d. Food.
- e. Professional services, including, but not limited to, artistic services, instructional services, health services, academic program reviews, lectures by individuals, attorneys, legal services, auditors, and management consultants.
- f. Information technology resources defined as all forms of technology used to create, process, store, transmit, exchange and use information in various forms of voice, video and data, and shall also include the personnel costs and contracts that provide direct information technology support consistent with each individual college's information technology plan.
- g. Single source procurements for purposes of economy or efficiency in standardization of materials or equipment.
- h. Items for resale.
- i. The College President or designee, may waive solicitation requirements in emergencies when there is an imminent threat to students, employees, or public safety or in cases when necessary to prevent damage to the facilities caused by an unexpected circumstance in accordance with rules established by the local Board of Trustees.
- j. When a board of trustees solicits the submittal of competitive offers and only one responsive offer is submitted, the college may purchase such products or service under the best terms it can negotiate.

Sole Source – A sole source item is an item which may only be purchased from a “single source” and is not competitively available through the bidding or other process. Upon recommendation of the appropriate administrator to purchase an item as a “sole source” item, the Vice President of Finance/CFO or the Purchasing Manager will ensure that the proper supporting documentation is prepared. When it is determined that the item is a

proper “sole source” item, then it follows the normal purchasing procedure for approval.

Single Source: Section 2(h) of 6A-14.0734, F.A.C. also exempts another type of sole source from competitive solicitation. The Rule states: “Single source procurement for purposes of economy or efficiency in standardization of materials or equipment.” Single sourcing is defined by NIGP as a procurement decision whereby purchases are directed to one source because of standardization, warranty, or other factors, even though other competitive sources may be available.

Emergency Purchases: The College President, or designee, may waive formal solicitation requirements in emergencies when there is an imminent threat to students, employees or public safety, in cases to prevent damage to the facilities caused by an unexpected circumstance, or an unexpected occurrence that would prove detrimental to the best interests of, or interrupt the continuity of services at, the College. At the next Board of Trustees meeting following the emergency, the Vice President of Finance/CFO shall report all necessary expenditures, made during the emergency, which exceed \$195,000.

Cooperative/Piggy-back Purchasing Contracts: The College may either participate in or administer definite quantity or term contracts for the procurement of any good or service with one or more members of the State College/University System, the Federal Government, another state, a political subdivision, an independent college or university, an educational cooperative or a consortium.

IX. PROCUREMENT METHODOLOGY

- a. **Designee:** The responsibility of purchasing or the issuance of purchase orders for the College has been delegated by the District Board to the President or designee assigned as Vice President of Finance/CFO.
- b. **Purchase Orders:** This is the form used in the Finance System (Banner) for procuring goods and services. Requisitions are converted into Purchase Orders (PO) by the Procurement Department. Departments are encouraged to enter requisitions for all transactions as they provide more efficient process for tracking expenditures. Quotes and supporting documentation must be submitted with the requisition, with the inclusion of the requisition number in the subject line. Quotes should not be sent to individual employee email addresses as this may cause significant delay in processing.
- c. **Types of Purchase Orders:** There are two different types of Purchase Orders available in Banner. Utilize the method that best meets your purchasing need. Once the Procurement Department processes the Purchase Order, a copy of the completed Purchase Order is sent directly to the Supplier and the requestor.
- d. **Regular Purchase Order:** Regular Purchase orders are used when a project sum or quantity and unit price are known.
- e. **Blanket Purchase Order:** A Purchase Order that is not line- item specific. The blanket order has a description, but no quantity or unit price is specified when issued (e.g. lab supplies as required). The blanket order permits departments to place orders on an as-needed basis and is convenient for ordering routine supplies from an awarded contract. No capitalized items (college equipment and furniture valued at \$5,000 and above) can be purchased from a blanket purchase order.
- f. **Change Orders:** Generally, change orders are changes that affect the price or quantity of the original purchase order. A Change Order request must be submitted to the

Procurement Department for processing. The President or designee is hereby authorized to approve changes to Purchase Orders which do not exceed the Category IV threshold amount. Change Orders of \$20,000 or more require approval by the President. Changes to the Purchase Order may be required when:

1. There are required changes in quantities or specifications;
 2. The Procurement Department corrects any misinterpretations or clerical errors;
 3. The supplier has submitted notification of change prior to shipment; or
 4. Extension of service is required (i.e. rental, temporary help, etc.)
- g. **Cancellation of Purchase Orders:** If a department wishes to cancel a Purchase Order once it has been issued, the Procurement Office requires the department to document prior notice with the supplier with respect to the cancellation.
- h. **Purchasing Card:** A Purchasing Card (P-Card) is a College charge card that allows goods and services to be procured without using the traditional purchasing process. It is traditionally reserved for transactions under \$1,000 and business travel related expenses. See the Purchasing Card manual for additional instructions and commodity/service restrictions.
- i. **Over Card Limit Transactions:** Transactions over the cardholder's transaction limit may not be handled with the vendor credit card. For any transaction that does not meet the spending controls assigned to the card, the cardholder must contact their department head. The department head, in turn, should contact the Vendor Credit Card Administrator if further assistance is needed.
- j. **Receiving Report:** Upon receipt of any part of the order using a PO, it is the responsibility of the department receiving the goods and services to immediately fill out the receiving report for acceptable items received so invoice pricing can be reconciled with PO pricing and vendor(s) can be paid promptly.
- k. **Direct Pay Check Request:** This is a form of payment when a supplier will not accept a purchase order or P-Card. This form of payment is not encouraged and is restricted to specific situations. Direct Pay check requests (DPs) for the following purchases:
1. Professional organizations and membership fees;
 2. Emergencies: such as natural or other disasters as declared by the President;
 3. Travel: hotel, conference registration, transportation;
 4. Office periodical subscriptions (not library);
 5. Postage;
 6. Licenses and permits;
 7. Payroll deductions;
 8. Clubs.
- l. **Purchasing Authority:** The College has established the following approval limits:
1. Budget Manager (up to \$1,000);
 2. Dean/Director (up to \$5,000);
 3. Vice Presidents (up to \$10,000);
 4. President (up to \$195,000).

New: 03/10/2000

Revised: 03/31/2010, 01/26/2021, 1/8/2024