

Employee Purchasing Guide

www.maricopa.edu/purchasing/epg/

The information presented in this guide is based upon the policies and procedures described in the Purchasing Department Procedures Manual available on the Employee Resource Page of the Purchasing web site (www.maricopa.edu/purchasing/epg/). Your Fiscal Agent should also have a copy of the manual for your reference.

Who We Are

The Maricopa Community College District (MCCD) is a publicly funded educational institution subject to public purchasing laws and regulations including State Statutes, Governing Board Policies, and institutional procedures. The Purchasing Department of MCCD is responsible for negotiating pricing, terms, and conditions for goods and services for the District. The Purchasing function is centralized for all purchases that exceed \$2,500. Fiscal Agents for each college have the authority to commit District funds for purchases under that amount.

Purchasing Authority

Only a few individuals in MCCD are actually authorized to carry out the purchasing function: specific members of the Purchasing staff and college Fiscal Agents. You have a valuable role in the requisitioning process; requesting goods or services for your department, but you **should not try to authorize the purchase of goods or services yourself**. This may make you personally liable for payment to the vendor.

Public Purchasing—Three Principles

The Purchasing Department of the Maricopa Community College District strives for:

1. ***Maximization of Competition.*** Specifications are written to allow the purchasing process to be as open as possible to a number of qualified vendors.
2. ***Equal and Fair Competition.*** Each vendor is provided the same information regarding product or service needs/specifications and their responses (such as price quotes) are kept confidential until the purchase is made.
3. ***Best Value at the Lowest Price.*** The purchase must be made at the lowest price for the product or service that best meets the needs of the requisitioner.

The Basics: Online Purchasing Requisitions/Purchase Orders/Limited Purchase Orders

There are three "documents" created online using the College Financial System (CFS) computer system for requesting and purchasing goods and services:

Requisitions

The Requisition, sometimes simply called a Req, is created in CFS by a requisitioner to obtain supplies, equipment, or services. It must be created accurately and clearly to allow individuals (who approve and process this request) to understand what is needed.

Classes for creating a requisition online using CFS are available through Training Services, (480) 731-8287. To assist you in specifying budget codes when preparing requisitions, an online catalog listing object codes and their definitions is available on the web for your reference. Gateway Community College also has a searchable database to find category codes and their descriptions.

Requisitions are forwarded to the appropriate individuals for approval via CFS. The last stop for on-line requisition approval is your Fiscal Agent, who then forwards requests over \$2,500 to Purchasing. Purchasing cannot begin to process an on-line requisition without the approval of the Fiscal Agent.

Approvals: The need for approvals is based upon the type of purchase and the dollar amount. Each college has its own routing procedure for approvals. Your Fiscal Agent can instruct you regarding your campus procedures. The final approval needed at your campus is that of the Fiscal Agent. That approval allows Purchasing to begin creating a PO for purchases over \$2,500, or allows your Fiscal Agent to create a Limited Purchase Order for purchases under that amount. The progress of requisitions can be tracked via CFS, or you can contact Purchasing or your Fiscal Agent with any questions.

Purchase Orders

The Purchase Order (PO) is a form that is created in the Purchasing department from information contained in the approved on-line requisition and is used for purchases over \$2,500. The PO number is used by the vendor to identify the purchase and is listed on shipping documents and invoices.

Limited Purchase Orders

The Limited Purchase Order (LPO) is created by the campus Fiscal Agent and used for any purchases (other than capital equipment) up to \$2,500. LPOs are for one-time purchases that will be shipped complete and billed in total.

Blanket Purchase Orders

A Blanket Purchase Order is a type of purchase order used for small commodity-type purchases that are bought often, such as maintenance supplies, utilities, and food; or for services such as miscellaneous repairs. Blanket POs in the amount up to \$50,000 can be created for small purchases not to exceed \$2,500 per day. Blanket POs help to reduce paperwork and save time. For more information on Blanket Orders, please refer to Chapter One, Section 106 of the Purchasing Procedures Manual, or call your Fiscal Agent.

Prepaid Orders

The District provides prepayments for very limited types of purchases such as subscriptions, dues, memberships, deposits for travel-related expenses, and certain maintenance and license fees. See Chapter One, Section 110 of the Purchasing Procedures Manual for specific information regarding prepayment of goods or services and cash advances, or call your Fiscal Agent.

Levels of Competition/Dollar Limits

At MCCD, as in all public purchasing organizations, there are various levels of competition that must be documented. The greater the dollar amount of the purchase, the greater the competition needed. The different levels are:

Up to \$2,500:

Considered the small purchases limit, evidence of competition does not need to be documented. Requisitioners are encouraged to find the best supply source for the best price that meets their needs. Purchasing is not involved with these purchases, except to provide sources of supply or technical expertise.

Over \$2,500 to under \$10,000:

The requisitioner (or Purchasing) needs to document at least two verbal or written quotes for the product or service. Documentation of the quotes is then forwarded to Purchasing.

From \$10,000 to under \$50,000:

The requisitioner (or Purchasing) must provide documentation of three written quotes from qualified suppliers which is then forwarded to Purchasing.

\$50,000 and Above:

Purchases of goods and services in the aggregate amount of \$50,000 and over shall be awarded through the Invitation for Bid (IFB) process. Purchases of \$50,000 and over that cannot be awarded by a process of competitive sealed bids shall be procured through the use of a Request for Proposal (RFP) process. The Purchasing Department is responsible for creating all IFBs and RFPs and coordinating bid or proposal activities. See Chapter 3, Section 302 and Section 303 of the Purchasing Procedures Manual for more information on the IFB and RFP process.

Obtaining Quotes

The requisitioner may choose to gather quotes themselves, or Purchasing can obtain quotes for them. A generic "Request for Quotation" form can be used to obtain quotes from various vendors. This form (in MS Word format) can be downloaded from the Employee Resource Page of the Purchasing web site for your convenience, or copies of the form can be obtained by calling Purchasing.

When you are asked to obtain quotes and specifications from vendors, do not share pricing from one vendor with other vendors. This is not legal within the rules of MCCD or state statutes. Only after a Purchase Order is issued to a vendor can prices from other vendors be shared.

To request assistance in obtaining quotes, please call the appropriate buyer. A Buyer Directory listing the buyers, their telephone numbers, and the categories of products and services they purchase is available online, or call Purchasing to obtain a copy.

With all purchases over \$2,500 to under \$50,000, the Purchasing Department retains the option of obtaining additional quotes.

Working with Vendors

Due to the size and complexity of the district and the programs offered, we require a wide range of products and services. Depending upon your job, you may have limited or fairly regular contact with vendors in order to obtain price quotes and other information.

Vendors must register with MCCD by completing a Vendor Registration Form and forwarding it to the Purchasing Department. Vendor Registration forms can be downloaded from the Employee Resource page of the Purchasing web site, or call Purchasing or your Fiscal Agent to obtain copies. Purchasing then enters the vendor into our online requisitioning system (CFS). There are thousands of vendors currently registered, with more vendors added daily. Please allow at least 24 hours from the time Purchasing receives the completed form until the vendor is in the system.

A link to an online Vendor Guide is available on the Vendor Resource Page of the Purchasing web site. The guide describes what a vendor needs to know in order to do business with Maricopa Community Colleges.

When working with vendors, there are a number of other points to remember:

1. **Do not place an order with a vendor yourself** without the proper documents such as an approved Limited Purchase Order issued by your campus Fiscal Agent. (The Purchasing Department places orders for purchases over \$2,500 by creating a Purchase Order and sending it to the vendor.)
2. **Do not promise an order to a vendor.** All purchases must be approved as well as coordinated by a Fiscal Agent or the Purchasing Department.
3. **Do not request or expect a supplier to provide layouts or design services without charge or obligation.** Projects of this scope need to be competitively bid and there is no guarantee that the vendor providing the services will be the low bidder.
4. **Do not accept equipment as a "loaner" or "on evaluation."** Only after the vendor receives a Purchase Order from the Purchasing Department marked "FOR EVALUATION PURPOSES ONLY" can equipment or software be brought in for evaluation purposes. All costs associated with the delivery, installation, evaluation and return of the equipment is borne by the vendor. Also, all risk of loss or damage remains with the vendor.
5. **Be wary of unethical tactics by phone solicitors** stating that they can offer you a deal on overstocked items or that it is time to re-order supplies for your office equipment or copier. All such calls should be immediately referred to the Purchasing Department.

Employees as Vendors

The use of MCCD employees to provide goods or services is strongly discouraged. Only in cases in which it is proven that the employee is able to provide the goods or service at a lower cost will the purchase be made. ANY purchases from an employee should show evidence of competition and be approved in advance by Purchasing. This includes purchases made on Limited Purchase Orders.

If you are an Employee acting as a potential vendor or have a relative who is a potential vendor, you must complete a Disclosure of Substantial Interest Form. This form must be completed and submitted to Purchasing annually.

Gratuities and Conflict of Interest

As an MCCD employee, you are subject to the laws and policies which impact all public employees. You are not to show favoritism to particular vendors or providers of services. You are also not allowed to share one vendor's quotes with another.

The acceptance of gifts and gratuities of value from outside interests such as vendors is illegal.

When in doubt about the acceptance of gifts that may be considered customary, such as imprinted pens or candy, please contact Purchasing. Remember, the best guideline is **DO NOT ACCEPT ANYTHING OF VALUE FROM A VENDOR.**

Conflict of Interest deals with situations in which potential business contacts are relatives or others that have involvement with the process. This would include buying from friends or relatives. All employees that may have a potential conflict of interest must complete this Disclosure of Substantial Interest Form. This form must be completed and submitted online annually.

The Legal Department provides resources regarding Conflict of Interest, including the following:

- Conflict of Interest Statutes
- Applying Arizona's Conflict of Interest Laws
- Contracting with Current or Former MCCCDC Employees
- Maricopa Employees Subject to State COI Laws

Contracts

All professional services contracts which are \$1,000 or more should be routed to the Legal Department. All other contracts are forwarded to Purchasing. Purchasing will then send any contracts that need review and signature to the Legal department, if necessary. If payments are to be made to a vendor as part of the contract, an online requisition should also be created and processed through your approval process. Contracts cannot be signed without an approved and reserved CFS requisition.

Contracts under \$1,000 (considered the small purchase limit) do not need to be forwarded to Purchasing for signature. Please send these contracts to your Fiscal Agent for their records.

"Contract for Professional Services" forms are used for the procurement of professional services, such as consultants or lecturers, for amounts under \$50,000. Contact your Fiscal Agent to obtain a copy of this form for your use.

Neither you nor your supervisor should sign any contracts on the behalf of your college or the district. The Legal department along with Purchasing and the Vice Chancellor for Business Services are the only authorized signers of contracts for the District.

Note: Before Accounts Payable can pay on a professional services contract, an itemized invoice must be submitted for payment to verify that the services have been provided.

Additional information regarding contracts is available in Chapter 3, Section 309 of the Purchasing Department Procedures Manual. If you have further questions regarding contracts, call Purchasing at (480) 731-8520 or the Legal department at (480) 731-8881.

Sole Source Purchasing

Sole source means that only one supplier can provide the product or service. Requisitioners and Purchasing need to research alternative products and sources of supply for all purchases. If one cannot be found, the requisitioner needs to write a justification for a sole source purchase by completing a Sole Source Justification Form and returning it to the Purchasing Department. All sole source justifications are approved by Purchasing. Sole Source Justification forms can be downloaded from the Employee Resource Page of the Purchasing web site, or call Purchasing for a copy.

Emergency Procurement

The purchase of goods or services on an "emergency" basis, without competition, is only approved by the Purchasing Department for situations that affect the safety and welfare of employees, students, and the public.

Cooperative Purchasing Agreements

MCCCD has the option of using a number of established contracts developed by MCCCD and other agencies. We have cooperative purchasing agreements with the State of Arizona, Maricopa County, the Universities, and other school districts and governmental organizations. The Purchasing Department can assist you in accessing information on these contracts.

Minority and Women-Owned Businesses

The District encourages business with minority and women-owned companies, within our guidelines of public purchasing. You can do your part by involving these businesses in quoting on goods or services and by encouraging them to register on the District Purchasing bid list by completing and returning a Vendor Registration form. The Vendor Registration Form can be downloaded from the Employee Resource page of the Purchasing web site, or call Purchasing or your Fiscal Agent for a copy.

What We Can Do For You

The Purchasing staff is here to assist you with your purchasing questions and concerns. In addition, we offer the following services:

- **Obtain quotes** for purchases of goods or services that are less than the sealed bid limit.
- **Conduct formal sealed bidding** for large dollar purchases.
- Consolidate and coordinate purchase requirements from around the District to gain better pricing and delivery for you, the customer.
- **Maintain lists of sources for products and services.** We can research new suppliers for products not on file.
- Act as your resource to **provide technical assistance** on purchases of goods or services
- **Provide explanations of purchasing procedures, processes and laws.** We can answer many of your questions or refer you to the correct source.
- **Act as a third party contract liaison with your contractor or supplier.** We provide advice and assistance with contract formation, renewals and termination actions.
- **Approve requests for emergency purchases.**
- **Approve documentation requesting sole source purchases.**

Important Questions to Consider

What costs are considered in the \$2,500 small purchase limit?

The \$2,500 limit is for the price of goods only. Tax, shipping and other charges can be added to the \$2,500 cost of goods and still be considered an LPO.

Who authorizes changes in POs or LPOs?

All changes to Purchase Orders must be authorized by Purchasing. Changes to Limited Purchase Orders are made by the Fiscal Agent, provided that the total amount of the order (minus tax and shipping) does not exceed \$2,500.

Where are price quotes and other backup sent?

Back-up materials (such as quotes or contracts) for purchases over \$2,500 are forwarded to the Purchasing Department either by inter-campus mail or by fax (480) 731-8190. Please include a note with back-up materials listing the corresponding requisition number, your name, and your phone number.

Do we pay tax?

The District pays sales tax to suppliers located in the State of Arizona. The tax rate varies based upon the city in which the supplier is located. For purchases made to suppliers located out of state, the District pays 5% sales tax directly to the State of Arizona.

Can an order be placed before a PO or LPO is created?

Do not place an order, promise an order, or otherwise authorize the purchase of goods or services yourself without the proper documents such as an approved Limited Purchase Order issued by your campus Fiscal Agent. This may make you personally liable for payment to the vendor.

Can price quotes be shared with other vendors?

Do not share price quotes from one vendor with other vendors. This is not legal with the rules of MCCCDC or state statutes. Only after a PO or LPO is issued can prices from other vendors be shared.

Can an order to one vendor be divided between two or more POs or LPOs?

It is against District policy as well as illegal to split orders in order to stay under certain dollar limits, subsequently lessening the competitive process.

Is there a reference list of object codes?

An online catalog listing object codes and their definitions is available on the Employee Resource Page of the Purchasing web site under "[Additional Information.](#)"

Is there a reference list of category codes?

Gateway Community College has a searchable database to find category codes and their descriptions. A link to their database is on the Employee Resource Page of the Purchasing web site under "Additional Information."

Who pays the bills?

Payments to vendors are processed by the Accounts Payable department located at the district office. Please forward any invoices you receive to Accounts Payable so that payment can be processed. The main AP fax number is (480) 731-8533. See the online [Accounts Payable Directory](#) located on the Employee Resource page of the Purchasing web site for a list of AP representatives and the campuses they serve.

Where can I learn more?

Classes and instructions for creating a requisition online using CFS are available through Training Services, (480) 731-8287.

The [Purchasing Department Procedures Manual](#), from which this guide was created, offers in-depth information regarding the Maricopa Community College purchasing policies and procedures and is available online for your reference. Your Fiscal Agent should also have a copy of the manual.

Commitment to Quality

The Purchasing Department is dedicated to providing quality service to the District and to the public. We must work within the legal framework of public purchasing while providing goods and services to MCCCDCD staff, faculty, and students. We also need to provide opportunities to members of our business community to supply goods and services to MCCCDCD. Feel free to contact us with your ideas, suggestions, or concerns.

Contact Us

The Purchasing Department is located at the Maricopa Community College District Office at 2411 West 14th Street, Tempe, Arizona, 85281. Our main phone number is (480) 731-8520. Fax number: (480) 731-8190. Purchasing office hours are 8AM to 5PM, Monday through Friday; 7AM to 6PM Monday through Thursday during the summer.

Please do not hesitate to call us for information or advice. We offer assistance to new and current employees with all types of questions relating to purchasing. In addition, we have a Purchasing Hotline on the Electronic System (MEMO). Simply address your message to "Purchasing" and your message will be routed to the appropriate person for an answer.

MCCCDCD Purchasing Department
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