

3358:11-4-12 Purchasing policy.

- (A) Purpose. The board of trustees of Owens community college desires to obtain the maximum value of each dollar of expenditure, and to obtain quality goods and services from the lowest responsive and responsible vendor or bidder. This rule does not apply to purchases related to works of improvement/construction, which are addressed in rule 3358:11-4-24 of the Administrative Code (construction purchasing). This rule does not apply to purchases related to grant funding, which are addressed in rule 3358:11-4-28 of the Administrative Code (procurement for federal awards).

- (B) Determination of lowest, responsive and responsible bid. A bidder shall be considered responsive if their proposal meets or exceeds specifications. The bidder shall be considered responsible for proper execution of contract or purchase order by demonstrating acceptable proof of proper experience, financial condition, insurance, conduct and performance on previous contracts, which shall include compliance with regulatory agencies, history of accidents and illness rates, safety training, references, licensing, and facilities and personnel. Wherever possible, consideration will be given to bidders utilizing a local workforce. All bidders are encouraged to participate in quality of life programs for their employees to enhance the greater wellbeing of the local community.

Owens 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 interest of the college. Owens community college also reserves the right not to award a contract to the low bidder if the college determines that the low bid is not in the best interest of the college.

Owens community college shall follow the statutory requirements of the Revised Code for the purchase or the award of a contract for goods and services, including but not limited to section 9.24 of the Revised Code for findings for recovery; section 3517.13 of the Revised Code for campaign financing.

- (C) Encumbering of funds.
- (1) The authority to obligate the college for any expenditure of funds shall be limited to the approval of either the board, the president/chief executive officer, the treasurer/chief financial officer, or to an employee who has been delegated that responsibility of budget authority by the president or treasurer/chief financial officer. Employees making an unauthorized purchase may be held personally liable for that purchase.
 - (2) The purchase or lease of goods and services requires prior authorization through the issuance of a purchase order. The issuance of a purchase order ensures funding is available in the budget within the requested object code. Such issuance of a purchase order shall encumber funds appropriated for the purchase. Authority to obligate the college for the purchase of goods and services and to enter into such contracts is limited to those individuals specifically designated by the board, the president, and the treasurer/chief financial officer.
 - (a) Exceptions to the requirement to establish a purchase order are for referees, college nights (hosted at various schools) for less than two hundred dollars, scholarship money returned to donors, club accounts, athlete medical bills, plant operation emergencies, and state and federal aid funds returned to respective governmental agency. When requesting services from an Owens' department, verification of funds must be provided prior to the ordering of goods, materials or services.
 - (b) A purchase requisition must be approved by an employee with budget authority.
 - (c) A request for direct pay will not be allowed; exceptions are for referees, college nights (hosted at various schools) for less than two hundred dollars, scholarship money returned to donors, club accounts, athlete medical bills, plant operation emergencies, and state and federal aid funds to be

returned to respective governmental agency. Other direct pay requests will not be processed and will be returned to the requestor for the issuance of a purchase requisition for the encumbrance of funds. Repeated requests to establish a purchase requisition/order after a good or service is ordered will result in the removal of a budget authorization and the necessity of a supervisor's approval in advance of all purchase requisitions.

A direct pay request requires approval by the budget authority, the vice president, and the treasurer/chief financial officer or a delegate of the treasurer/chief financial officer.

- (d) A request to reimburse an employee without the issuance of a purchase order is limited to two hundred fifty dollars.
- (e) Routine or ongoing purchases with a purchase card in accordance with approved purchase card limits require a purchase order issued in advance of acquiring the goods or service.

The purchase card purchase limit is one thousand dollars. The treasurer/chief financial officer or delegate has authority to increase the purchase card limit for special circumstances. A special circumstance may include travel for an athletic team, an emergency purchase or a time-limited purchase.

A purchase card cannot be used for meals or liquor. An exception for use of a purchase card for food is limited to an athletic team or a club account or for the president or a vice president for a college-related meeting, event or special circumstance.

Repeated use of a purchase card without budgetary approval or the issuance of a purchase order will result in the termination of purchase card use, removal of budget authorization and the necessity of a supervisor's approval in advance of all purchase requisitions.

- (f) A budget authority must ensure available funds or initiate a budget transfer for funds in advance of processing a purchase requisition or such purchase requisition will be returned.
- (3) The purchase or lease of vehicles, furniture, equipment or other goods with an aggregate value of ten thousand dollars or more requires prior authorization by the treasurer/chief financial officer.

The purchase or lease of vehicles, furniture, equipment or other goods with an aggregate value of fifty thousand dollars or more requires prior authorization by the treasurer/chief financial officer. Such purchases shall be reported to the board of trustees in accordance with rule 3358:11-1-12 of the Administrative Code (financial standards).
- (D) Fixed assets. The capitalization amount for fixed assets with a useful life of at least three years will be five thousand dollars per unit price.
- (E) Competitive bidding.
 - (1) College personnel involved in the procurement process should exercise good judgment and secure informal competitive pricing for items requisitioned. All goods and services equal to or greater than ten thousand dollars, but less than twenty-five thousand dollars, per unit price, shall have three written proposals.
 - (2) All goods and services, excluding works of improvement, equal to or greater than twenty-five thousand dollars per unit price will be competitively bid and legally advertised once a week for two consecutive weeks in at least one newspaper of general circulation within the college district. The award will be given to the lowest responsive and responsible bidder pursuant to the competitive bidding requirements as established in the Revised Code.
 - (3) Competitive bidding requirements may be waived:
 - (a) Whenever the board, the president and treasurer/chief financial officer have determined that an emergency

situation exists. (An emergency situation involves safety, severe damage to college equipment or property or situations in which the college's ability to continue operations is significantly at risk.)

- (b) In the judgment of the procurement department and with the approval of the treasurer/chief financial officer it is deemed impossible or impractical to obtain more than one bid due to the product being a used item, a single source item, or for any other sufficient reason.
 - (c) Whenever the state of Ohio, the Ohio inter-university purchasing council, general services administration, educational and institutional cooperative, national joint powers alliance, national inter-governmental purchasing alliance, u.s. communities, provista, sourcing office, Ohio association of community colleges, or other educational and institutional cooperative contracts are utilized as a source for an established price.
 - (d) When the Revised Code allows for the exemption of professional service providers (i.e., auditors, attorneys, architects, consultants, etc.) from competitive bidding requirements. (These services should follow a request for proposal process to ensure the professional service provider has the capability to successfully complete the required services within the timeframe requested and at a reasonable cost.)
 - (e) When distribution is authorized by the college for whom the college is the fiscal agent or custodian of funds.
- (F) Requests for proposals.
- (1) Requests for proposals for goods and services, excluding works of improvement, will be legally advertised in a newspaper of general circulation within the college district once a week for at least two consecutive weeks prior to the date specified by the college for receiving proposals.

- (2) The college shall select for review at least three proposals. If fewer than three proposals are received, the college shall review every proposal. The college may cancel a request for proposals at any time before entering into an agreement with a respondent.
 - (3) Upon further review of the proposals selected, the college shall award a purchase order or enter into an agreement with the respondent that is considered to have the most merit, taking into consideration the scope, complexity and nature of the services to be performed by the respondent.
- (G) College library.
- (1) All purchases of library materials such as print and electronic books and periodicals shall be procured by securing informal competitive price quotations for items requisitioned.
 - (2) The responsibility and authority of the procurement of library books and periodicals for the college library is vested in department chairs and deans and the director, library services.
- (H) Purchase of printed materials.
- (1) Ohio law (section 3345.10 of the Revised Code) requires competitive bidding procedures for the award and purchase of printed material and that all contracts for printed material shall be awarded to vendors who have manufacturing facilities within the state.
 - (2) If the required printed products are not available from a vendor who has manufacturing facilities within the state, the college shall be permitted to purchase from an out-of-state vendor.
- (I) This rule supplements and supports the Owens community college rule 3358:11-1-12 of the Administrative Code (financial standards). College administration shall adhere to the contracting manual provided through the legal services office.
- (J) The treasurer/chief financial officer has the authority to promulgate procedures consistent with this rule.

(K) Conflict of interest.

- (1) No public employee, officer or agent can participate in the selection, award or administration of a public contract, if the individual has a real or apparent conflict of interest.
- (2) A conflict of interest would arise when:
 - (a) The public employee, officer, or agent, any member of his or her immediate family, partner, or organization, which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from such contract.
 - (b) An officer, employee, or agent cannot solicit or accept a gratuity, favor, or anything of monetary value from an improper source, including a party seeking to do business with the college.
- (3) A potential or a conflict of interest shall be reported to the treasurer/chief financial officer or to the general counsel/vice president, administration and human resources.
- (4) Depending on the circumstance, non-compliance may be subject to the Owens community college rule 3358:11-5-52 of the Administrative Code (standards of conduct and disciplinary process policy and corresponding procedures) or to 3358:11-4-11 of the Administrative Code (model ethics policy).

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