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Desert Community College District

Purchasing Handbook

July 2026

Purpose of Purchasing Handbook

This handbook constitutes the policies and procedures by which the Desert Community College District carries out purchasing, receiving, and accounts payable functions. The term "purchasing" generically refers to the functions of buying goods and contracting for services.

The Purchasing Department strives to serve in a professional and expeditious manner. From time to time, we may offer alternatives to items you have requested or suggest ways to minimize the cost of doing business. We mediate disputes with vendors, expedite orders, dispose of surplus items, file claims, seek legal advice, and serve you in many other ways.

It is our hope that this handbook will answer common purchasing questions and enable all departments to purchase goods and services in a timely manner. As policies change, the Purchasing Department will distribute updates to each department for inclusion in this text.

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Section 1: Introduction

Purchasing Mission Statement

The Purchasing Department provides a full range of purchasing services to ensure efficient and timely acquisition of quality goods and services at the best value and promote financial stewardship in support of the College's mission.

Authority for Procurement

[Board Policy 6100 Delegation of Authority](#) delegates the responsibility for the procurement of materials and services necessary to carry out the programs and operations of the District to the Superintendent/President or designee. Only these designees are authorized to commit funds in the name of the District. All approved purchases shall comply with District, state and federal policies and regulations including public bidding requirements and conflict of interest laws.

Board Authorized Purchasing Designees

The designation of authorized Purchasing Designees can be found in [Board Policy 6150](#) and [Administrative Procedure 6150](#) Designation of Authorized Signatures.

Unauthorized Purchases

Only individuals who are Authorized Purchasing Designees may enter into purchase contracts or procurement indebtedness for the District. Any unauthorized purchases may result in the individual incurring a personal obligation to the vendor. Vendors regularly doing business with the District should be aware of this policy and are advised that all purchases chargeable to the District must be authorized by an official District purchase order. The District is not obliged to reimburse employees for the cost of any such purchases on behalf of the District unless previous arrangements have been made.

Prohibited Purchases

Certain purchases, categorized as illegal expenditures of District funds, will not be sanctioned or approved for payment. These items include, but are not limited to, liquor and other items for personal use.

Code of Ethics

The District's purchasing process is decentralized in that individual faculty and staff across campus determine business needs and influence purchasing decisions on a daily basis. As such, each individual that participates in the purchasing process accepts a responsibility as a steward of the District's financial resources and a commitment to the highest ethical standards.

The following Code of Ethics is adopted to strengthen ethical awareness and provide guidelines for professional ethical behavior for the procurement of goods and services, as developed by the [National Association of Educational Procurement](#).

Purchasing Code of Ethics:

- Give first consideration to the objectives and policies of my institution.
- Strive to obtain the maximum value for each dollar of expenditure.
- Decline personal gifts or gratuities.
- Grant all competitive suppliers equal consideration insofar as state or federal statute and institutional policy permit.
- Conduct business with potential and current suppliers in an atmosphere of good faith, devoid of intentional misrepresentation.
- Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.
- Receive consent of the originator of proprietary ideas and designs before using them for competitive purchasing purposes.

- Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a supplier; and/or be willing to submit any major controversies to arbitration or other third party review, insofar as the established policies of my institution permit.
- Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.
- Cooperate with trade, industrial and professional associations, and with governmental and private agencies for the purposes of promoting and developing sound business methods.
- Foster fair, ethical and legal trade practices.

Conflict of Interest

Required compliance with Conflict of Interest Regulations, Government Code §1090-1099 prohibits any employee or officer from having any financial interest in any contract made by them in their official capacity or by any board or body of which they are a member; this applies to personal financial interests and those of family members. It also prohibits employees or officers from being "purchasers at any sale or vendors at any purchase made by them in their official capacity."

It is the responsibility of each member of the District staff and the Purchasing Department to take all appropriate steps to ensure that the District does not knowingly enter into any purchase commitment that would result in a conflict of interest. Authority for the final selection of the vendor is the responsibility of the Purchasing Department and/or Manager of Purchasing as applicable. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by local, state, or federal funds if a real or apparent conflict of interest would be involved. If the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which 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, a conflicting interest shall be deemed present. No officer, employee, or agent of the District shall solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub-agreements, or vendors awarded contracts by the District

Section 2: Roles and Responsibilities

All employees and Board of Trustees have roles and responsibilities in the purchasing process. Only management may authorize purchases or initiate contracts for services. The roles and list of responsibilities for various individuals of the purchasing functions are outlined below.

Board of Trustees

- Sole authority and responsibility for District contracts and purchase orders with the function of procurement delegated to the Purchasing Department
- Designate District officials authorized to sign contracts and purchase orders
- Authorize award of contracts, purchase orders, and bids at board meetings

Departments

- Determine needed goods or service
- Obtain quotes and contracts with vendors
- Ensure vendors comply with District purchasing terms and conditions
- Check fund availability and submit budget transfers as needed
- Obtain Vendor W-9 forms and submit to Purchasing
- Understand lead times in obtaining supplies and services and plan accordingly
- Contact Purchasing if procurement will exceed bid limits
- Submit Purchase Requisition and follow-up with approvers
- Submit Purchase Order Change Orders Requests (POCO) including all relevant fields and referencing Purchase Order number
- Approve Purchase Requisition (Management)
- Forward invoices to Accounts Payable for payment, if applicable
- Comply with Purchasing Year End Timeline

Fiscal Services

- Verify appropriations of account and availability of funds
- Process Budget and Expense transfers, as needed
- Manage the District Cal-Card Program

Purchasing (includes Contracts Management)

- Serve the District to ensure compliance with Education, Government and Public Contract Codes
- Assist departments in obtaining quotes and identifying potential vendors
- Determine if Purchase Requisition is complete
- Approve Purchase Requisitions
- Assure purchases are properly authorized
- Issue Purchase Orders to vendors and departments
- Expedite delivery of emergency goods and services
- Review contract language for requirements including hold harmless and indemnification and process contracts, leases, etc.
- Secure competitive quotes or bids whenever possible to obtain maximum value and to ensure compliance
- Maintain vendor database
- Maintain fixed assets inventory system

Information Technology

- Approve technology purchases including computer hardware, audio, visual, multi-media and software
- Recommend technology supply purchases
- Review contracts for compliance with accessibility requirements

Human Resources (includes Risk Management)

- Set requirements for certifications for insurances, reviews, and acceptance
- Provide District certificate of coverage per insurance requirement stated in the signed contracts
- Review contracts for compliance with collective bargaining agreements

Warehouse

- Receives goods and delivers to the requisitioning department
- Conduct inventory of fixed assets
- Tag fixed asset equipment valued at \$1,500 or more
- Maintain records retention storage

Accounts Payable

- Pay invoices only when 3-way match is verified: Receiving Report = Purchase Order = Invoice

Section 3: Purchasing Staff and Year End Timeline

Purchasing Department

The Purchasing Department consists of:

- Manager of Contracts and Purchasing
- Purchasing Services Specialists
- Warehouse Operator

Please refer to the District's directory to obtain current contact information.

Purchasing Year End Timeline

Purchasing deadlines are established annually and distributed in January via an email memo. The deadlines are established to allow sufficient time for Purchasing and Fiscal Services Departments to complete purchases, deliveries, invoice submissions and payment processes by the year-end

deadlines. These efforts will ensure an orderly year-end closing process, which will assist in preparing accurate financial statements.

Departments are encouraged to submit requisitions well in advance of the deadlines especially for items that may require a long lead time or a formal bid process. Please plan ahead to ensure that requisitions are completed and approved by the deadlines.

Purchase requisitions submitted after the deadline will be considered on a case-by-case basis. Requests will only granted for emergencies and expiring funds.

Section 4: Purchasing Process

The purchasing process can be a challenge to navigate. In an effort to guide the District through the various steps, tools are developed to provide reference. Despite best efforts to capture the majority of purchasing situations, please understand that there are likely to be exceptions to the procedures described. The goal is to keep those exceptions to a minimum.

Purchasing Process Steps

Step 1: Needs Identified at Department or Employee Level

- The purchase of goods and services are determined at the department or employee level. Goods are tangible supplies and materials. Services are activities provided by external vendors.
- Departments must ensure funds are available for the purchase. If there are insufficient funds, a budget transfer must be submitted to Fiscal Services prior to submitting a requisition.

Step 2: Assess whether quotes, informal bidding or formal bidding is required

Step 3: Goods and services costing over \$10,000 but less than the limits set out in the Public Contract Code will require at least two quotes. Purchases in [excess of the limits](#) will require formal advertised bids (see Section 8: Competitive Bidding and Bid Exceptions).

Step 4: Obtain quotes, contracts or agreements, or complete bidding process

- Obtaining a quote from the vendor is a standard practice for any order being placed. A quote ensures accurate pricing and availability of goods.
- **Technology equipment** quotes (including but not limited to technology equipment and supplies) must be requested through the Information Technology Department. The purpose is to ensure technology equipment meets District standards, is compatible with existing equipment, and ongoing support can be provided.
- **All other quotes** may be obtained through an existing vendor or research by other means. New vendors need to be added into the Galaxy system prior to submitting a requisition. All vendors must have a Form W-9 on file; including name and Taxpayer Identification Number (TIN).
- **Contracts** can be obtained from the vendor or District templates can be utilized to procure goods and services. Contracts are subject to review to ensure legal and regulatory compliance (see Section 9: Contract Services).
- **Informal bidding** requires obtaining at least two quotes from two different vendors.
- **Formal bidding processes** are facilitated by the Purchasing Department (see Section 8: Competitive Bidding and Bid Exceptions).

Step 5: Submit Requisition

- A purchase requisition is an internal document submitted by a department to request the Purchasing Department to order goods or services from a vendor. The District utilizes the electronic requisition system available through the Riverside County Department of Education called Galaxy. For contract requisitions, the District utilizes the Contracts Transmittal Electronic Form for in lieu of Galaxy.
- Submitted requisitions must provide all required information and approved by the assigned department administrator(s). Without adequate information and approval, the order will not be processed in a timely manner.

Step 6: Submit Quote and Corresponding Requisition Number to Purchasing

- In order to ensure the requisition is processed in a timely manner, the quote and requisition number must be submitted via email to Purchasing with the requisition number in the subject line. Hard copies are accepted when necessary.

Step 7: Purchase Order Creation and Authorization

- Purchasing will review documentation for accuracy then creates a Purchase Order (PO). Hard copies of the PO are printed and submitted for approval by the Manager of Purchasing and Contracts. The signed PO becomes a legally binding contract between the District and the vendor.

Step 8: Issuance of Purchase Order

- POs for goods are issued by Purchasing to the vendor via email, online entry, fax, telephone or by other means. Copies of the PO are distributed to Accounts Payable, Warehouse, and the department.
- POs for services are sent to the department to issue to the vendor and coordinate the completion of services. If required, proof of insurance must be received before a PO can be issued.

Step 9: Confirmation of Purchase Order

- Confirmation of POs for goods from the vendor is distributed to the department from Purchasing. Purchasing will follow-up with the vendor if confirmation was not received or other issues arise.

Step 10: Receiving

- The Warehouse receives and verifies all goods ordered. If applicable, fixed assets (equipment costing \$1,500 or more) are assigned an asset tag. Goods are then delivered to the department. Warehouse submits the receiving documentation to Accounts Payable.
- If direct delivery to the department occurs but was not requested, the department must contact the Warehouse, indicate what was received, the quantity received and then sign and date the receiving document and forward it to the Accounts Payable. Payment for goods will not occur without receiving verification.

Step 11: Payment

- The vendor will send an invoice after goods are received and services completed. The invoice is routed to Accounts Payable to ensure prompt vendor payment.
- **Goods:** Accounts Payable matches the PO, receiving documentation, and the invoice. For goods picked up by the department, invoices are sent to the department for signature approval before payment can be requested. If the documents do not match, Accounts Payable, Purchasing and Warehouse will work with the vendor and department to resolve discrepancies.
- **Services:** Once the services are completed, the vendor will issue an invoice for payment. Invoices must be signed by the cognizant manager and sent to Accounts Payable. Accounts Payable will match the invoice and PO before payment can be requested. If the documents do not match, Accounts Payable and Purchasing will work with the vendor and department to resolve discrepancies. Accounts Payable prepares the request for payment and submits it to the County where it is audited, and a warrant is issued.

Purchasing Process Tools

Training

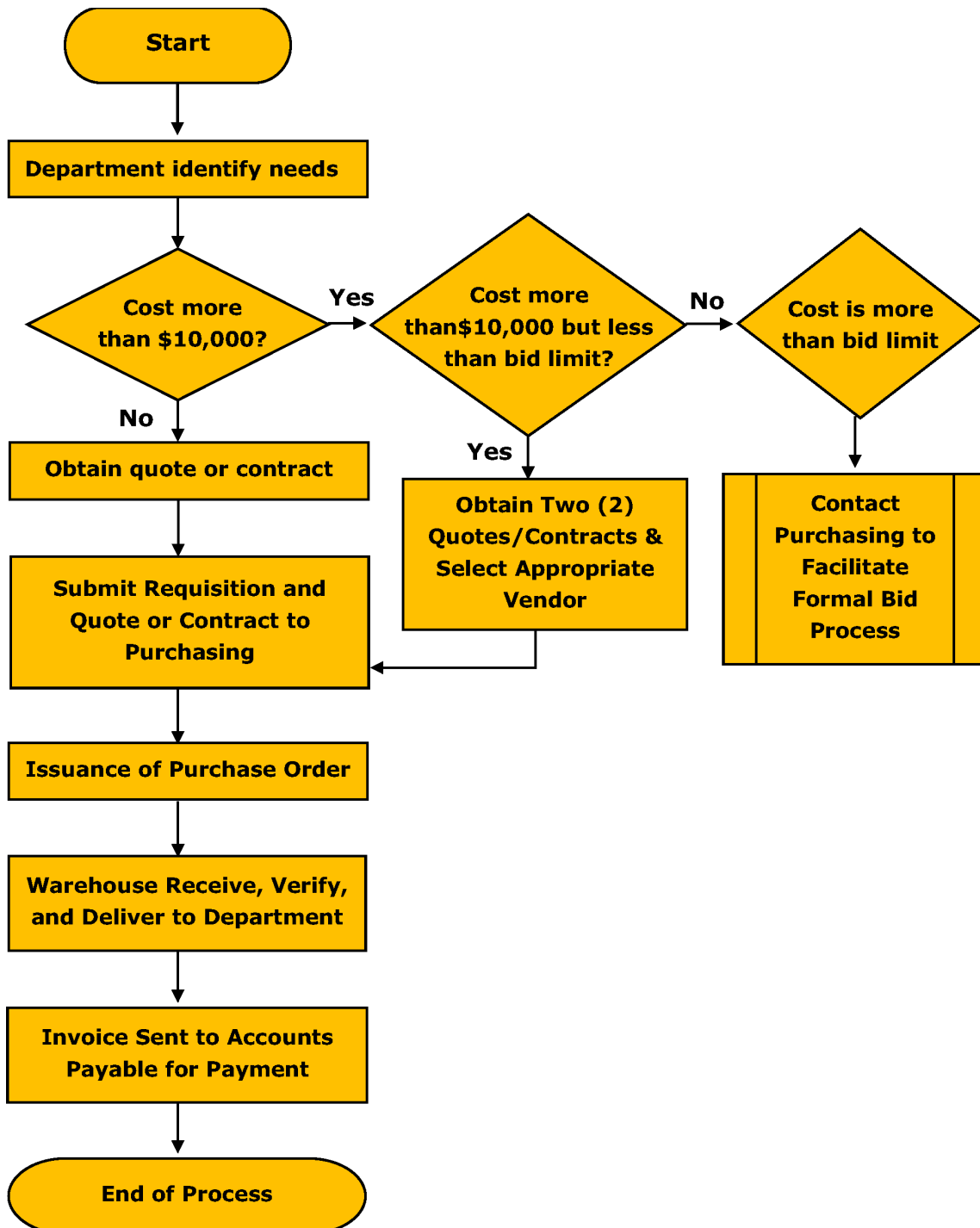
The Purchasing and Fiscal Services Departments provides one-on-one and group training. The group training sessions are appropriate for both new users and for the occasional user that could use a refresher.

User's Guide

Reference guides provide step-by-step instruction to submit and approve purchase requisitions.

- Galaxy User's Guide (contact the Purchasing Department to request a copy)
- [Contract Transmittal eForm User's Guide](#)
- Purchasing Process Flow Chart (see page 14)

Purchasing Process Flow Chart



Section 5: Terms and Conditions

When issuing a PO to a vendor, the Purchasing staff will attach or reference the District's Terms and Conditions (contract obligation). The [Desert Community District General Terms and Conditions](#) can be found on the College website.

Section 6: Procurement Methods

The following procurement methods have been developed and implemented to assure timely procurement of goods and services. The summary below can be used to determine which method is appropriate for a given purchasing situation. Prior to initiating a procurement, first determine that all applicable bidding requirements have been met.

Purchase Order

Internal Control

Purchasing goods and services through the District's Purchase Order process ensures the following internal controls processes:

- ✓ Purchases receive prior approval through electronic requisition approval process
- ✓ Budget is encumbered ensuring the availability of funds
- ✓ Best pricing is obtained by utilizing volume pricing or District pricing contracts
- ✓ Assets are assigned the correct account code in the requisitioning process, ensuring the availability of funds in the appropriate code prior to purchase
- ✓ Ensure compliance with District standards for specific items (marketing, signage, facilities, technology, etc.)
- ✓ Vendors comply with the District's purchase order terms and conditions

Appropriate Usage

A Purchase Order (PO) is a contract to purchase goods or services from a vendor. When the Purchasing Department creates a Purchase Order, it establishes an encumbrance against the account(s) listed on the requisition. The encumbered funds will be used to pay for the purchase after it is received and invoiced.

The use of a PO only to procure goods and services would be appropriate if the following conditions exist:

- ✓ Vendor does not require the signing of any document including Contracts, Proposals, Work Orders, Statements of Work and Terms and Conditions, etc.
- ✓ Simple services
- ✓ Simple contractual expectations
- ✓ Period of performance is less than one year
- ✓ Purchase is low risk as determined by the Purchasing Department
- ✓ Guest Speaker, Lecturer, Musician for services less than \$600 (Independent contractors paid for services exceeding of the amount will receive a 1099-MISC form at the end of the year.)

Blanket (or Open) Purchase Order

Blanket Purchase Orders are issued by the Purchasing Department to a specific vendor for a designated amount for the purpose of enabling those who have the authority to make requisitions to continue repetitive purchases of miscellaneous replenishable supplies or services. Similar to a regular Purchase Order, funds are encumbered upon the establishment of a Blanket Purchase Order. Blanket Purchase Orders are issued for usage throughout the fiscal year. Those able to make requisitions must submit a new purchase requisition at the beginning of each fiscal year in order to establish or renew a Blanket Purchase Order.

Purchase Order Change Orders

A Purchase Order Change Order (POCO) is issued by the Purchasing Department if an existing PO needs to be modified or corrected to properly reflect the purchase transaction. A POCO or PO cancellation may be initiated by the requesting department or from the vendor. Because the PO is a legal document representing the basis of a contractual relationship between the District and the vendor, any changes to that contract must be in writing and approved by the Purchasing Department. (This does not apply to "internal" changes such as budget code changes.) When changes are made without prior authorization from Purchasing, payment to the vendor may be delayed while proper documentation is completed. Furthermore, the contractual rights of the District and the vendor are jeopardized by such unauthorized changes.

Situations that warrant a POCO include:

- Cancel Purchase Order
- Increase or decrease in the purchase amount (greater than 10%)
- Change in the scope of service
- Change in quantity
- Change in item description
- Account funding changes

A POCO may not be used to change vendors. The PO will need to be canceled; a cancellation notice must be issued to the original vendor, and a new Purchase Requisition must be prepared for the new vendor.

If an order needs to be canceled prior to the items being received, please contact the Purchasing Department immediately.

Procedure

The procedure for change order requests to modify both regular and standing or blanket purchase orders is as follows:

- 1) To submit a Change Order request, complete a requisition
- 2) In the "Item Name" field indicate "Change Order" – this will alert Purchasing that the requisition is not for a new order.
- 3) In the Description field, indicate the change and reference the PO number
- 4) Submit the requisition for approval and submit the supporting documents to Purchasing
- 5) Purchasing will process the Change Order and issue a revised POCO to the vendor, department, Accounts Payable and Warehouse

Emergency Purchase Orders

Emergency Purchase Orders are requested for emergency purposes such as repairs, purchase of replacement parts and supplies needed to protect life, property, or essential services. Public Works emergencies are handled by notifying the appropriate administrator and the Maintenance and Operations Department. All other emergencies are handled by notifying the Purchasing Department of the urgent need in order to expedite the Purchase Order process.

Contracts

Contracts can be used to procure goods and services. The following situations typically warrant the use of a contract:

- The length of the agreement exceeds one year
- The agreement includes renewal provisions
- The services are complex
- Complex contractual expectations
- All consultant services
- All General Services such as catering service, bookstore, leases, security services, storage services, etc.
- High risk services
- High dollar value services

- License and Maintenance agreements
- Contract Instruction Agreements
- Affiliate Agreements
- Memorandum of Understanding (MOU's)
- Community Education independent contractor agreements

See [Section 9: Contract Services](#) for more detail.

Please note: Contracts for Temporary Employment Agreements are temporary assignments of current District employees to perform work which is outside the normal work requirements of the employee and the assignment is performed with the mutual agreement of the District and the employee. The Human Resources (HR) Departments provide oversight of the TEA form and process.

Direct Pay

Direct Pays are payments for goods or services ordered by a department and paid directly by Accounts Payable. Direct Pays are neither forwarded to nor processed by the Purchasing Department. Direct Pays are appropriate in limited cases as approved by the Purchasing Department.

Examples of allowable Direct Pays:

- Emergency Repairs
- Athletic Officials
- Registrations, Memberships, or Subscriptions (not accepted by purchase order or procurement card)
- Pass-through Student Materials Fees (ex., Fire Tech Course)
- Purchasing Card Statement
- Travel expense reimbursements
- Authorized employee reimbursements (see [Employee Reimbursement](#))

Prepayment

Under special circumstances, the District may prepay expenses before the goods or services have been received. Purchases requiring advance payment must be approved by the Manager of Purchasing and the department head in writing. Examples: Magazine subscriptions, conference fees, and office space rent.

Procedure to request prepayment:

1. Prepare a requisition requesting "Advance Payment." This must be clearly stated on the notes section in the requisition. Indicate payment due date.
2. Indicate on the requisition if requester intends to deliver the check to the vendor or if the check should be mailed. The requisition must clearly state the name and phone number of the contact person if the department is picking up the check or state the vendor contact if the check is being mailed.
3. Submit appropriate documentation (a copy of the signed original proforma invoice, renewal notice, etc.) to the Purchasing Department, and reference your requisition number. Requestor must obtain the proforma invoice from the vendor.
4. Purchasing will issue the Purchase Order requesting an Advance Payment. The necessary documents will be forwarded to Accounts Payable to issue a check.
5. Accounts Payable will forward the check to the requester or mail it to the vendor, as indicated.

Timeline for prepayment request:

The approved requisition, original invoice, and Purchase order must be received in the Accounts Payable office at least two (2) weeks prior to the payment due date for payment to be processed. Notify Purchasing that a prepayment requisition has been entered and provide the requisition number.

Credit Card Purchases

Overview

The District uses a variety of methods for the purchase of goods and services, including the District Cal-Card Program and other purchasing credit cards. The use of District credit cards are not meant to supplant the purchase order system. The purchasing card is intended to be used as an option in limited circumstances.

Customarily, a requisition may be submitted indicating that it is a purchasing card order. This ensures that funds are available, and the purchase is authorized. Departments should contact Purchasing to make every effort to find a source that accepts Purchase Orders or contact the vendor requesting a credit card payment to see if they will accept a Purchase Order.

The following are allowable credit card purchases:

- Travel related expenses including airfare, hotel, conference registration, gasoline, and car rental
- Emergencies
- Memberships and organizational dues
- Subscriptions
- Publications
- Advertisements
- Certifications
- Student group travel
- Food services

Authorized Users

The Fiscal Services Department manages the District Cal-Card Program. Issuance guidelines are in [Administrative Procedure 6100 Delegation of Authority](#) and the District Credit Card Procedure Manual.

Please contact Fiscal Services for a copy of the manual. In addition, a District-wide Cal-Card is available for use in emergencies.

Employee Reimbursements

On occasion, it may be necessary for employees to use personal funds to pay for District-related purchases. Reimbursements require pre-approval for purchases over \$100.

The requisition for reimbursement shall be accompanied by the original documentation to support the purchase. This may consist of an invoice, original receipt, or other notification (email receipt). Additional information such as a brochure, flyer or an email can be helpful in explaining the nature of the purchase.

Unauthorized Purchases

The Purchasing Department ensures that requested goods and services are allowable under the established California Constitution Codes and the District's Board Policies and Administrative Procedures. Therefore, departments must obtain proper authorization from the Purchasing Department via a Purchase Order number, prior to procuring any goods or services. Since District purchases are funded with taxpayer dollars, all employees must ensure proper stewardship of District funds. Fair and competitive acquisition processes are a must. Purchase requests must go through the proper channels by budget checking and obtaining required approvals for all goods and services procured.

Purchases made without authorization from the Purchasing Department, may result in delayed payment or payment may not be made since the purchase was not authorized. Not paying vendors in a timely manner can result in the erosion of the business reputation of this District, and the receipt of penalties or fees. If reported to our credit agencies, the District runs the risk of a lower credit rating, which would result in additional interest expenses on current and future loans.

Purchases for Personal Use

No goods or services will be purchased by the District on behalf of employees or for their personal benefit. Deliveries of personal employee purchases to the District are prohibited.

Section 7: Special Purchases

The procurement of certain items deemed "Special Purchases" are handled in a manner different than other purchases.

Office Supplies (Office Depot)

Office Depot is the District's preferred provider for office supplies and offers significant discounts compared to retail prices by utilizing pricing from the Foundation for California Community College's contract.

Departments may place orders directly on the vendor's website at [Office Depot](https://business.officedepot.com) (<https://business.officedepot.com>). Supplies are generally delivered next day. Payments are made by way of a Purchase Order or against a Blanket Purchase Order. Furniture and equipment costing more than \$1,500 must be ordered through a purchase requisition.

Travel

Please refer to [Board Policy](#) and [Administrative Procedure 7400 Travel](#).

Printing and Duplication Services

The Copy Center is the preferred provider for District printing and duplication needs. Orders are placed through the [Copy Center website](#). Prior to placing orders, users must create an online account. Each order will require an account code to be charged and the location for orders to be delivered.

Contact the Copy Center at extension 7239 regarding the ordering process and the catalog of printing and duplication services.

Computer Hardware, Audio, Visual, Multi-Media and Software

Technology purchases require completion of the [Small Technology Projects Form](#), submitted to the Information Technology (IT) Department to discuss and obtain approval for computing equipment or software needs costing less than the minimum allowed for the annual prioritization process. This ensures that the equipment and/or software can be supported, are compatible with the current IT infrastructure, and/or is not already in inventory by the IT department. Once the specifications have been established, IT will generally obtain quotes or provide alternative source.

For equipment and systems requiring room installation, an evaluation is required to ensure appropriate electrical power and data, structural integrity and ADA compliance (Americans with Disabilities Act) will need to be completed by IT and Maintenance and Operations departments. Once the evaluation has been completed and quotes are obtained, the requesting department initiates a Purchase Requisition for the equipment. Once the Purchasing Department has issued a Purchase Order, estimated arrival times can be established. The requesting department then submits work order requests to IT and Maintenance and Operations to schedule the installation of equipment.

Section 508 Compliance Requirement

Federal law, Section 508 of the Rehabilitation Act of 1973, mandates that all electronic and information technology developed, procured, maintained, or used by College of the Desert be accessible to people with disabilities. Please confer with the IT department to ensure compliance with the regulation and Purchasing Department to ensure your contracts include this important language.

Maintenance Agreements

Copiers, Scanners, and Printers

Leased or District-owned copiers, printers and scanners, are typically covered under a maintenance agreement. The maintenance agreement provides all services, toner, and supplies (except paper).

The Purchasing Department is responsible for negotiating maintenance agreements and responding to questions regarding the agreements.

Departments are responsible for placing service calls for departmental equipment. When placing service calls, have the serial number readily available. The vendor's contact information and the unit number are included on a tag posted to the front of the machine.

The purchase of desktop HP multi-function devices require a 1-year warranty to be obtained at the time of purchase. If there are issues with device functionality, IT is to be contacted to address the issue.

Network connection issues shall be directed to the IT Help Desk at extension 1300.

Moving Copiers, Scanners, and Printers

When requesting to have a District-owned or leased copier moved from one District location to another, please contact the Purchasing Department to facilitate the move. The fee, if any, can cost up to \$500 depending on a variety of factors including the vendor and the distance of the move.

Please do not ask District personnel (i.e. Warehouse or Maintenance and Operations staff) to move copiers. Having unauthorized technicians move units negates the service warranty.

Other Equipment

Maintenance agreements for classroom and office equipment should be obtained at the time of purchase. If not, the department would contact the vendor to obtain a quote for the maintenance agreement. If the quote is found to be acceptable and the department would like to proceed with the purchase, the contract review and approval process is to be followed. Calls for service covered by a maintenance agreement are made by the requesting department. Parts not covered under Maintenance Agreements require an additional purchase order to be issued.

Electronic Equipment Repairs

If computer-related equipment or a fax machine requiring repair is not covered under a maintenance agreement or a warranty, contact the IT department to determine whether the repairs can be handled by District staff. If District staff cannot perform the work, IT will provide quotes or recommend preferred vendors. Once the best value quote has been selected, a requisition will be initiated by the requesting department listing the equipment to be repaired, scope of work, and cost. The issuance of the corresponding Purchase Order authorizes the vendor to commence the repair work. When the work has been completed, the requestor forwards the invoice to Accounts Payable, indicating the Purchase Order number and an authorization to pay.

Facilities-Related Repairs, Maintenance and Improvements

All repairs of, or replacements to facilities including plumbing, air conditioning, electrical, carpentry, painting, and pest control should be referred to the Maintenance and Operations Department through their electronic [work order system](#) or the [Facilities Project Request Form](#).

Additionally, Maintenance and Operations can assist with the moving of furniture or equipment. Maintenance repair requests involving health and safety issues during normal business hours should be immediately referred to the Maintenance and Operations Department.

All requests for facilities improvement or modification projects must be approved by Executive Cabinet and the Superintendent/President. The process is initiated by submitting the [Facilities Project Request Form](#) and routing the form through the respective executive administrator.

Examples of Facilities Improvement projects are:

- Any modification or refurbishment of District property (including the installation of equipment requiring facility modification) that involves the work of an outside contractor or vendor.

- Equipment attached to the building structure, such as whiteboards, built-in appliances, awnings, and industrial and medical equipment requiring permanent utility connections.
- Equipment to be installed that requires modification of the existing structure or utilities, specific electrical modifications such as heavy-duty trades, industrial equipment, modular offices and classroom lab furniture.

Marketing Material or Signage

In order to ensure consistency with District standards, marketing materials and signage must first be approved by the Public Relations Office. The Public Relations department will review the proposed materials or signage to ensure the following criteria are met:

- ✓ Design is compatible with the District's branding strategy
- ✓ Content meets college corporate image standards
- ✓ Specifications balance cost efficiency and communication effectiveness

Marketing materials and signage distributed electronically require additional review by the Accessibility Specialist. This ensures the District is compliant with section 508 of the Rehabilitation Act.

Website

For the creation of a new linked website, departments must first seek approval from the Public Relations Office.

Furniture Services

The Purchasing Department has a list of preferred vendors for basic furniture that includes classroom, modular office furniture, seating, instructional office furniture, and ergonomic office accessories. Furniture should meet current District design standards and maintain consistency in appearance with other furniture arrangements and receive best pricing. Additionally, the Purchasing Department can assist with space planning with vendors, often at no charge, in order to ensure that efficient use of the space is achieved.

Vehicles

A vehicle is a machine that transports people or cargo. Generally, new vehicle purchases are approved through the Planning and Prioritization Process or the need is identified in a plan (e.g. Student Equity, Strong Workforce, etc.).

Purchasing Steps:

Step 1: Follow the purchasing process and prioritization process

Step 2: Vehicle is delivered to the department or picked up by the department

Step 3: If applicable, the vehicle's title and registration must be filed with the California Department of Motor Vehicle (DMV) within 10 days of purchase by the department. If purchased through a dealership, they will usually file paperwork. If obtaining from a private seller, obtain vehicle's title, seller's signature, purchase price, odometer disclosure statement (if vehicle is under 10 years old), smog certification (if vehicle is more than four years old), and a bill of sale to prove transfer of ownership and the purchase price.

- ✓ Vehicles must be titled to the Desert Community College District
- ✓ Registration is to reflect "Exempt" status

Step 4: Submit original title, registration, and bill of sale to Fiscal Services.

Step 5: Contact Human Resources or Risk Management to include the vehicle on the District insurance policy.

The department is responsible for ongoing vehicle expenses.

Types of ongoing vehicle expenses:

- Fuel
- Maintenance and repairs – New vehicles sold in California generally come with a manufacturer's extended warranty, which states that the manufacturer of the vehicle will cover the cost of specific repairs under the terms of the warranty. A dealer may also offer additional written

service contract for a fee to repair or pay the costs for the repair of certain mechanical problems. If the vehicle is not under warranty, ensure sufficient funds for routine maintenance and repairs. Common expenses include oil change and tire rotation.

The Maintenance and Operations Department provides general maintenance and repair services, including the recommendation of parts or services required, and the installation of parts.

Catering Services

Purchases of food or meals must be allowable, reasonable, and justified. The justification should be documented (agenda, meeting attendees, meeting duration, etc.) and included with the receipt in the cardholder's statement submittal.

The Beeps Café provides a wide selection of in-house catering services to the District. Departments are encouraged to utilize Beeps Café for their catering needs when it is determined to be the best value. Beeps Café can be reached at extension 2554.

Equipment Purchases from Prioritization Process

New equipment needs (costing \$1,500 or more) are approved for purchase through the annual planning and prioritization process. Planning is the process by which departments request resources to assist in meeting their goals and objectives, as well as supporting the college mission. During the process, funding resources are identified and the ranked equipment list is forwarded to the College Planning Council as a recommendation to the Superintendent/President who makes the final decision. The Superintendent/President announces funded equipment, and departments are notified to begin the purchasing process.

Please refer to the [College Planning Handbook](#) for more information on the prioritization process and timeline.

Please note: Equipment needs that are identified in a plan (e.g., Student Equity, Strong Workforce, etc.) with restricted funds do not need to be

ranked through the prioritization process as the institution has already determined, via the approved plan, the need for such equipment.

Purchases Made with Grant Funds

District personnel who are responsible for grant or categorically funded programs should become very familiar with the terms and conditions of the Grant Agreement. If there are particular grant requirements about the purchasing process or qualification of vendors, requesters should make sure that they discuss these requirements with the Purchasing Department. The responsibility for advising the Purchasing Department of any grant related purchasing restrictions or requirements shall remain with the requesting department and grant awardee.

Special requirements should be noted on the requisition or applicable grant documentation related to purchasing requirements should be attached to the requisition. Examples of special requirements: Certificate that the vendor has not been disbarred, Certification that the vendor maintains a Drug-Free workplace or requirements for bidding.

All vendors utilized on grant funded purchase orders and vendor contracts will be checked to see that they are not debarred or suspended from participation on grant funded projects. This verification will be accomplished via the ["System for Award Management \(SAM\)" website](#) maintained by the US Government. All findings will be documented with the purchase order or vendor contract documents.

Purchases Made with Federal Funds

Purchases funded by federal grant funds must adhere to regulations found under the Title 2 Code of Federal Regulations Part 200. Title 2 C.F.R Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards provides federal regulations on all federally funded grants and agreements. All purchases made with federally funded grants must adhere to these regulations to ensure compliance.

Public Works Projects and Facility-Related Repairs and Maintenance

Public Works Projects are defined as the construction, reconstruction, erection, alteration, renovation, improvement, demolition and repair or maintenance work involving publicly owned, leased or operated facility. Public Works Projects and formal bidding are handled by the Purchasing Department and Facilities.

Section 8: Competitive Bidding and Bid Exceptions

General

The competitive bidding requirement is founded on public policy declared by the Legislature of California to protect the taxpayers from fraud, corruption, favoritism, extravagance or carelessness of public officials and the waste of public funds. In general, goods and services valued over the [statutory bid limit](#) must be procured through a formal competitive bidding process. The bid threshold changes each year and the District is notified of the change to the amount in January. (Public Contract Code § 20651)

Bid Splitting

It is unlawful to split or separate into smaller work orders or projects, any work, project, service, or purchase for the purpose of evading the competitive bidding process. (Public Contract Code § 20657)

Contract Lengths

In general, continuing contracts for goods and services are subject to not exceed three (3) years for goods and five (5) years for services. (Education Code § 81644)

Award of Contract

Contracts are normally awarded to the “lowest responsive and responsible bidder.”

Procedure

All purchases that exceed the legal bid limits must go through the legally required formal bidding procedure, and the recommended award must then be approved by the Board of Trustees. The purpose of competitive bidding is to solicit offers from several potential vendors to obtain the best price from a responsible bidder.

Formal bids are those that are obtained by written solicitation. The bids are received in writing by a set date and time. The bids are publicly opened by the Purchasing Department. The bids and bid summary are maintained by the Purchasing Department. (Education Code § 81641)

Step 1: Needs are identified at the Department or Employee level.

- When the total cost is expected to exceed the statutory bid limit, Purchasing should be contacted at the earliest possible time.
- The bid process can take a minimum of eight weeks and includes writing the Request for Proposal (RFP) or Request for Qualifications (RFQ), advertising, pre-bid conference, public bid openings, and award of contract by the Board.

Step 2: Preparation of Documents and Deadlines

- Purchasing and the department shall prepare the RFP or RFQ document (scope of work and other specifications), evaluation criteria, a list of potential proposers (if appropriate), and establish a date and time for opening bids.

Step 3: Advertisement

- Publicly advertise the RFP or RFQ in a newspaper of general circulation at least once a week for two weeks and on the College website. (Education Code § 81641; Government Code § 6066)

Step 4: Evaluate the bids.

Step 5: Allow for protest within a protest period.

Step 6: Award of Contract

- Recommend the “lowest responsive and responsible bidder” to the Board of Trustees for the award of the contract.

Bid Exceptions

Goods and Non-Construction Services below the bid threshold may be procured without a competitive bid process:

- Equipment, materials, supplies furnished, sold, or leased to the District.
- Non-construction services – except special services and advice (Government Code § 53060). See section [Special Services and Professional Services](#) for details.
- Maintenance work (not public work projects) includes all the following:
 - ✓ Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.
 - ✓ Minor repainting.
 - ✓ Resurfacing of streets and highways at less than one inch.
 - ✓ Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.
 - ✓ Work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems, including, but not limited to, dams, reservoirs, power plants, and electrical transmission lines of 230,000 volts and higher.

(Public Contract Code § 20657(d))

Bid Exceptions:

- Supplementary textbooks, library books, educational films, audiovisual instructional materials, test materials, workbooks, instructional computer software packages, or periodicals in any amount needed for the operation of the District. (Education Code § 81651)

- Perishable food stuffs and seasonal commodities needed for operation of cafeteria or food service can be purchased pursuant to District rules and regulations for purchase of perishable food and seasonal commodities, even if the rules and regulations do not require bidding for such goods. (Public Contract Code § 20660)
- Surplus federal property as defined by the Surplus Property Act of 1944. (Education Code § 81653)
- Goods, services, and information technology from certified small businesses (including a microbusiness) and disabled veteran business enterprises for purchases between \$5,000 and \$250,000. At minimum, two quotations shall be obtained from either two certified small businesses or two disabled veteran business enterprises. (Public Contract Code § 20651.2)

Piggybacking and Cooperative Purchasing from Community Colleges or Public Agencies

Community Colleges may make purchases using other Community College or public agency contracts if those contracts have been awarded using appropriate California Public Contract Code.

The Board of Trustees, without advertising for bids, and when the Board has determined it to be in the best interests of the District, may authorize by contract, lease, requisition, or purchase order, any public corporation or agency, including any county, city, town, or district, to lease data-processing equipment, purchase materials, supplies, equipment, automotive vehicles, tractors, and other personal property for the district in the manner in which the public corporation or agency is authorized by law to make the leases or purchases. (Public Contract Code § 20652)

Authorized Piggybacking or Cooperative Public Agencies:

- University of California and California State University Systems
 - The governing board of a community college district can purchase materials, equipment, supplies, or services under the same terms and conditions as are specified in a contract lawfully awarded by the University of California or the California State University. (Public Contract Code § 20653.5)

- California Community College Chancellor
 - The Chancellor of the California Community Colleges is authorized to enter into a contract on behalf of one or more community college districts. Through the Foundation for California Community Colleges' CollegeBuys Program, the District may purchase software, furniture, equipment, and office supplies. (Public Contract Code § 20661)
- California Department of General Services (DGS) Leveraged Procurement Agreements (LPAs)
 - California Community Colleges can purchase products without competitive bidding using agreements awarded through the State of California's Department of General Services (DGS). DGS has the authority to establish contracts, master agreements, multiple award schedules or cooperative agreements for the purchase of:
 - Goods
 - Information Technology Goods and Services
 - Services
 - Any local governmental entity in the State of California that is empowered to expend public funds may utilize designated State contracts, per Public Contract Code Section 10298. Each statewide commodity contract identifies whether the contract is open to local governmental agencies in the usage guidelines. Before utilizing a contract, local agencies must review the contract user instructions to determine whether the contract is available for use by their agency and follow the order procedures, as outlined within the document.
- Leveraged Procurement Agreement Types:
 - **California Multiple Award Schedules (CMAS)**
 - The California Multiple Award Schedules (CMAS) offer a wide variety of commodities, non-IT services and information technology products and services at prices which have been assessed to be fair, reasonable and competitive.
 - CMAS terms should be reviewed for possible amendments to include district specifics such as: payment and performance

bonds, insurance requirements, duration, project specs, etc. Some districts require their own contract containing their own terms and conditions to be executed.

- **National Association of State Procurement Officials (NASPO) ValuePoint (Cooperative Agreement)**
 - The Department of General Services, Procurement Division (DGS-PD), participates in multi-state cooperative agreements for information technology (IT) and non-IT goods and services. These agreements are made available for use by State departments and local governmental agencies through California Participating Addenda.
- **Software Licensing Program (SLP)**
 - The Software Licensing Program (SLP) provides extensive software discounts for the State through SLP contracts established with authorized participating resellers.
- **CAL-Card (Purchase Card)**
 - The CAL-Card (Visa purchase card, US Bank) Program is available to government or tax-funded agencies for acquiring goods and services.
- **Statewide Commodity Contracts**
 - The Department of General Services, Procurement Division (DGS-PD) administers statewide commodity contracts for use by State departments and California local governments. Statewide commodity contracts primarily reduce the need for individual departments to conduct repetitive bids for similar products. They are also used as one of the State's main procurement vehicles, allowing the State to leverage its buying power. These contracts are developed through a competitive bidding process.
(Public Contract Code § 20653, 10298, 10299)

Sole Source Purchase of Goods, Products or Services

The purpose of competitive bidding statutes are to protect taxpayers from fraud, corruption, favoritism, extravagance or carelessness of public officials

and the waste of public funds. However, when competitive bidding proposals do not produce an advantage, the competitive bidding statutes do not apply. The District may determine to purchase goods or services through a Sole Source.

A "Sole Source" procurement is any contract entered into without a competitive process, based on justification that only one known source (vendor) exists or that only one single vendor can fulfill the requirements. Examples of sole source contracts are:

- Proprietary goods and services
- Public utility services

Special Services and Professional Services

Please note both the terms "Special Services" and "Professional Services" are used interchangeably and are synonymous terms (excluding services subject to Government Code §4525 et seq.)

Special services and advice in financial, economic, accounting, engineering, legal, or administrative matters can be procured without a bidding or proposal process. The firm or individual providing special services must be specially trained and experienced and competent to perform the special services required. (Government Code § 53060)

Construction Project Professionals—Architectural, Landscape Architectural, Engineering, Environmental, Land Surveying and Project Construction Management Services

All architectural and engineering services shall be procured pursuant to a fair, competitive selection process which prohibits District employees from participating in the selection process when they have a financial or business relationship with any private entity seeking the contract, and the procedure shall require compliance with all laws regarding political contributions, conflicts of interest or unlawful activities. (Government Code § 4529.12)

The construction project professional services shall be determined on the basis of demonstrated competence and on the professional qualifications

necessary for the satisfactory performance of the services required.
(Government Code § 4526, 4529.5)

A minimum of two quotes or proposals must be obtained. Limit maximum duration of project professional services contracts to not exceed five (5) years. (Education Code § 81644)

Emergency Contracts

Emergency means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

Emergency repairs, alterations, work or improvements may be procured without bidding if:

- there is a four-fifths vote from the District's Board of Trustees;
- finding in Board minutes that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency;
- the Board of Trustees reviews the emergency action at every regularly scheduled meeting thereafter to determine, by a four-fifths vote, that there is a need to continue the action. It shall terminate the action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice for bids to let contracts.

(Public Contract Code § 22050, 22035, 1102; Government Code § 8558)

Construction Services (Public Works Projects)

Public work projects in excess of \$15,000 require a formal bid. Public works projects include construction, reconstruction, erection, alteration, renovation, improvement, demolition, and any repair work involving District-owned, leased, or operated facilities. (Public Contract Code §20651 (b))

Energy service and conservation contracts awarded under Government Code § 4217 and funded by Prop 39 proceeds require competitive selection

process. (Government Code § 4217.12, 15814.10; California Community College Chancellors Office Prop 39)

Bid Exceptions:

- Pursuant to the California Uniform Public Construction Cost Account Act (CUPCCAA) Program, construction services less than \$15,000 may be procured without a formal bidding process. The District may retain a verbal or written quote from the pre-approved, qualified contractors list.
- Day labor or day force account when maintenance work does not exceed 350 hours or 750 hours when the District's full-time equivalent student is 15,000 or greater. "Maintenance" means routine, recurring, and usual work for the preservation, protection and keeping of any publicly owned or publicly operated facility for its intended purposes in a safe and continually usable condition for which it was designed, improved, constructed, altered or repaired. This definition of "maintenance" expressly includes, but is not limited to: carpentry, electrical, plumbing, glazing, and other craft work designed consistent with the definition set forth above to preserve the facility in a safe, efficient, and continually usable condition for which it was intended, including repairs, cleaning, and other operations on machinery and other equipment permanently attached to the building or realty as fixtures. (Public Contract Code § 20655, 20656)

Construction and Maintenance Services Under CUPCCAA

The California Uniform Public Construction Cost Account Act (CUPCCAA) was enacted in 1983 to help promote "uniformity of cost accounting standards and bidding procedures on construction work performed or contracted by public entities in the state." The District shall enact an informal bidding process to govern the selection of contractors to perform public projects under the bid thresholds under CUPCCAA. (Public Contract Code § 22020, 22032, 22034)

Bidders List:

Contractors interested in having their information on file and being a part of the Informal Bid list for CUPCCAA, must submit their information to the District. (Public Contract Code § 22037)

All Public projects of \$25,000 or more requires the following:

- ✓ Contractor must pay Prevailing Wages as set forth by the Department of Industrial Relations (DIR).
- ✓ Contractor and subcontractor must be registered with the Department of Industrial Relations (DIR) and have a valid registration number (SB 854) in order to perform work at the District.
- ✓ Contractor to obtain performance bonds and labor and materials bond.

\$60,000 or less

Bidding is not required for public works valued at \$60,000 or less. The work may be performed by employees by force account, by negotiated contract, or by purchase order. A minimum of two quotes must be obtained. The contract shall be awarded to responsible proposer submitting lowest priced quote. (Public Contract Code § 22032)

\$60,000 – \$200,000

Informal bidding process required for public works valued between \$60,000 and \$200,000. The bidding is limited to prequalified bidders for the category of work required. (Public Contract Code § 22034, 22036)

Notice to contractors shall be provided in accordance with either paragraph (1) or (2), or both.

- 1) The public agency shall maintain a list of qualified contractors identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be determined by the commission. All contractors on the list for the category of work being bid shall be mailed, faxed, or emailed a

notice inviting informal bids unless the product or service is proprietary. All mailing of notices to contractors pursuant to this subdivision shall be completed not less than 10 calendar days before bids are due.

- 2) The public agency may elect to mail, fax, or email a notice inviting informal bids to all construction trade journals specified in Public Contract § 22036.

If all bids received are in excess of \$200,000, but less than \$212,500, the Board of Trustees, by adoption of a resolution by a four-fifths vote, awards the contract to the lowest responsible bidder.

Greater than \$200,000

Public works greater than \$200,000 will require formal bidding procedures.

Lease of Relocatable Structures

The District may lease relocatable structures for a term extending to the expected duration of use by the District (not to exceed 10 years). Initiated by resolution authorizing entering into a lease contract and prescribing the terms thereof, adopted by vote of a majority of the members of the governing Board. (Education Code § 81526)

Section 9: Contract Services

General Information

When a District does business with any outside entity, a contract and purchase order (PO) between the District and the entity is required in order for work to begin and the entity to be paid. All contracts must be signed, and any required insurance documents must be in place before the work on the contract begins. Contracts are between the vendor and the District, not the vendor and the college.

What is a Contract?

The term “contract” is used to encompass all types of contracts, agreements, and similar documents, which commit the District to a course of action.

A contract is a legally enforceable agreement voluntarily entered into between two or more parties with agreed upon obligations. District contracts should be in writing, reviewed, routed through the appropriate approval process, and must be signed by an authorized District representative delegated by the Board of Trustees. A purchase order is also a contract. Contracts may include the following (but not limited to):

- Consultant Agreement (General Consulting, Legal, Accounting, Architect, Auditing, Counseling)
- Independent Contractor Agreement (construction, repair and maintenance)
- Professional Service Agreement (performers, guest speakers)
- Other Service Agreements (bookstore, food service, security, storage, laundry, uniform)
- Quotes and proposals for which the vendor requires a signed document
- Leases
- License and Maintenance Agreements
- Insurance Agreements
- Rental Agreements
- Memorandum of Understanding (MOU) or Agreement (MOA)
- Letter of Understanding (LOU) or Agreement (LOA)
- Affiliate Agreements
- Contract Instruction Agreements
- Instructional Services Agreement
- Terms and Conditions
- Subscriptions

When is a Contract Needed?

Some of the situations that might warrant the use of a contract include:

- Length of the agreement exceeds one year
- Agreement includes renewal provisions
- Services are complex
- Complex contractual expectations
- High risk services
- High dollar value services

Please note: A contract is generally necessary in order to enforce insurance coverages and indemnity provisions.

Standard Contract vs. Vendor Contract

Every contractual situation is unique and requires careful consideration of the terms and conditions. It is recommended that the District standard contract templates be used when possible to reduce the amount of time needed for contractual review. Each contract, whether District standard template or vendor contract, undergoes review.

In most cases, the District prefers to have the vendor sign the District's standard contract forms. In some instances, the business situation may warrant that the District sign a contract or agreement that comes from an outside vendor. Some good examples of this kind of contract are agreements with facilities that provide clinical practice sites for the Districts healthcare careers, some software contracts, catering contracts, or contracts for the use of space at a hotel or other facility.

Time Required to Process an Executed Contract

The process for obtaining an executed contract may be lengthy. Contract execution between two parties can take at minimum of 30-60 days, especially if a non-standard agreement is used. If a formal bid is required, the typical timeline is 6-8 weeks. Advance planning is strongly encouraged.

Please note that an executed contract is when all parties have signed the contract.

Internal Contract Review

The purpose of the internal contract review is to ensure that all appropriate District officials consider the contract appropriate for the District and consistent with the mission of the College and with the policies and regulations that govern their areas.

A proposed contract must be approved by the appropriate administrative department(s) prior to submission for Board approval.

- ✓ **Information Technology** review technology goods and services contracts to ensure compatibility with District standards and ongoing support can be provided.
- ✓ **Human Resources** review services contracts to ensure compliance with collective bargaining agreements.
- ✓ **Purchasing** review contracts to ensure that the vendor's terms and conditions do not conflict with the District's standard terms and conditions. For example, here are some main contract language clauses to request the other party to include in a contract (but not limited to):
 - The rule of law be that of California rather than any other state
 - District can terminate the contract for convenience with a 30-day notice
 - District be granted the same indemnity as the vendor
 - District will not agree to automatic renewal of the contract OR exclusivity
 - The vendor provides the appropriate level of insurance and endorsements for the District
 - Language that requires vendor to comply with accessibility mandates for all information and communication technology
 - Contract duration for services are not to exceed 5 years
 - Contract duration for goods are not to exceed 3 years

Any deviation from these standards will be reviewed by District's legal counsel and/or the Vice President of Administrative Services or designee.

Who Can Sign a Contract?

Contracts can only be signed by an authorized District representative delegated by the Board of Trustees per [Administrative Procedure 6150 Designation of Authorized Signatures](#). If contracts are signed by non-authorized person, the District is not liable for payment and the party that signs the contract may be personally liable.

Board Approval of Contracts

All contracts are ratified or approved by the Board of Trustees. The organizational practice and preferred approach is that a contract cannot commence service prior to Board approval. If an urgent and unforeseen business need arises that warrants a contract to be approved prior to Board approval, please contact the Purchasing Department to authorize permission. In this case, the contract will be placed on the subsequent Board agenda for ratification.

Contracts for less than the statutory bid limit shall be listed under the consent agenda summarizing the nature and dollar amount of the contract. Contracts with a value over the statutory bid limit shall be placed on the action agenda to be formally presented to the Board for approval.

Deadline for Contract Submission:

The deadline for contract submission is generally due a few weeks prior to the next Board meeting. The deadline is intended to ensure that contracts submitted by the posted due date are included on the subsequent month's board agenda. Purchasing will make every effort to accommodate contracts submitted after the deadline.

(Education Code § 81656; Public Contract Code § 20651; Administrative Procedure 6300(a) Board Approval or ratification of Purchase Orders, Contracts, and Warrants)

Contract Submission Process for Board Approval

Contracts for Board approval are submitted through the [Contract Transmittal eForm](#). A [User's Guide](#) was created as a reference guide for submitters and approvers.

Grant-Related Contracts

Grant funds are monies awarded to the District through Federal, State or local agencies through competitive and non-competitive processes with regularly required contracting, reporting, and budget approval processes. Federal and State legislative and administrative rules and guidance heavily regulate agreements, contracts, and sub-agreements. [Board Policy](#) and [Administrative Procedure 3280 Grants](#) govern the District's policy and procedure for grant-related contracts. For these reasons, departments should contact the Institutional Grants Office to begin the process.

Other Contract Matters

District employees should consider the following contract matters:

- **Conflict of Interest** - An employee of the District may not propose a contractual arrangement in which the employee may have a financial interest. (California Government Code § 1090, 72533; California Government Code § 87100)
- **Liquidated Damages** - Liquidated damages are a predetermined sum that must be paid if a party fails to perform as promised. To be enforceable, liquidated damages cannot be a penalty but instead must constitute a reasonable forecast of the provable injury resulting from the breach. Prior to including the provision in a given contract, the amount of the damages needs to be calculated and documented.

Legal and Contractual Remedies for Disputes

Vendor Complaints

Any dispute or complaint lodged by a vendor or contractor shall be submitted in writing and initially addressed to the Purchasing

Department. The Purchasing staff will investigate any charges including contacting the department responsible for the original requisition and payment and take whatever action is warranted to correct the problem. If the matter cannot be informally resolved at this level, the Manager of Purchasing and Contracts shall serve written notification to the vendor or contractor that a full and complete formal statement detailing the nature of the problem must be received within ten (10) working days after the notification is issued. Failure to file the formal statement shall be interpreted to mean that the matter has been resolved. Once the formal statement is received by the Manager of Purchasing and Contracts, and still cannot be resolved, the matter shall be escalated to the Vice President, Administrative Services.

Decision

The Vice President, Administrative Services shall review the written formal statement filed by the vendor or contractor, analyze the actions of the campus to determine whether it acted in a manner consistent with the requirements of the solicitation document and applicable laws and policy, and shall issue a final decision in a timely manner. The decision shall be in writing and shall be mailed or otherwise furnished to the vendor or contractor in such a manner as to ensure receipt. The decision of the District is final.

Insurance

Insurance coverage is part of the District's risk management strategy. The District carries its own insurance, but vendors are also required to carry minimum insurance coverage for their business or their events. Before the start of a vendor's services or supplying any equipment, goods or materials, the vendor shall furnish the Purchasing Department with certificates of insurance evidencing the required coverages, conditions, and limits required.

The coverage must be provided by financially sound insurance companies. Policies of insurance required shall be issued by insurer(s) admitted to issue insurance by the State of California. The District must be added to the vendor's insurance policy by endorsement. These policies allow the District to transfer the appropriate amount of risk for a job or an event to the

vendor's insurance. It is important to understand that insurance does not limit liability. It does represent the amount an insurance provider might cover, but, claims for a particular event could potentially exceed the covered amount.

Unless instructed by an authorized District personnel, vendor shall maintain insurance coverage during the term of the contract.

Coverage amounts are determined by the level of risk that an activity or event entails. The District develop guidelines as to various services and their general risk categories.

Types of Insurance and Required Level of Insurance Coverage:

1) Minimum Insurance Coverages and Requirements

- Vendor shall maintain the following policies of insurance issued by an insurance company(ies) licensed in California with a current A.M. Best (or equivalent) rating of A:VII or better.

2) Commercial General Liability

- Commercial General Liability insurance provides protection against third party claims caused by direct or indirect action of the insured. The policy shall name the District as additional insured providing the District with the same level of coverage had the District purchased the policy.
- Commercial general liability coverage provides the following protections:
 - Bodily injury protection
 - Property damage protection
 - Claims against intellectual property or rights
 - Claims against breach of contract
 - Defense cost coverage
 - May provide loss of income coverage

- Required Coverage: A limit of not less than \$1,000,000 per occurrence, \$2,000,000 aggregate for bodily injury, property damage, personal injury, products and completed operations, and blanket contractual coverage, including but not limited to, the liability assumed under the indemnification provisions of this Contract.

3) Automobile Liability

- Automobile Liability insurance provides coverage for bodily injury and property damage caused by an automobile.
- Required Coverage: A combined single limit for bodily injury and property damage of no less than \$1,000,000 each occurrence with respect to Contractor's owned, hired, and non-owned vehicles.

4) Workers' Compensation

- Workers' Compensation insurance provides coverage for contractor employees' medical and disability expenses related to work-related illness and on-the-job injuries. This coverage is required when the contractor or consultant has employees performing work under the contract.
- Required Coverage: Limits statutorily required by any federal or state law and Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

5) Professional Liability

- Professional Liability insurance provides coverage for charges of professional negligence or failure to perform professional duties. It is commonly referred to as "malpractice insurance". This coverage is required when there is reliance on a consultant's or contractor's professional opinion.
- Required Coverage: If applicable, professional liability insurance covering acts, errors, mistakes, and omissions arising out of the work or services performed by Contractor, or any person employed by Contractor, with a limit of not less than \$1,000,000 each claim.

How is General Liability Insurance Obtained?

- Homeowner's policy supplement (personal umbrella insurance policies may or may not satisfy this requirement. The insurance agent or broker can confirm if the policy covers bodily injury and property damage protection while fulfilling provisions of the District contract.)
- Other Professional, Trade Association, Organization or Group
- College or University Alumni Association

Certificate of Insurance

A certificate of insurance (COI) is a document prepared by an insurance company or broker that is used to verify the existence of insurance coverage. The document lists the effective date of the policy, the type of insurance coverage purchased and the types and amounts of applicable liability coverage. A COI is required for all vendors and users of District facilities. By itself, however, the COI does not guarantee that the District will be covered. The COI does not amend, alter or endorse coverage to an insurance policy. Per state insurance code it is the insurance policy, not the certificate of insurance that governs coverage.

Endorsements

The District requires an insurance endorsement along with the COI. The endorsement alters the vendor's insurance policy. It adds the District to the policy as an additional insured. If there is no endorsement, then the District is not covered under the vendor's insurance. Common endorsement would read: "Desert Community College District, its officers, officials, agents, employees, and volunteers as additional insureds."

Section 10: Risk Management Concepts

Risk should be considered when contemplating a particular project, event, or program for the college or District. The following are risk management concepts to consider:

Identify the exposure

What is the activity or project? What is the dollar amount of the contract or the activity excluded from the District's own insurance coverage? For example, some activities such as bounce houses are not covered by the District's insurance. Are underage students involved? Who has control over the work being performed?

Analyze the risk

What financial resources are at stake? For instance, how much damage could a contractor cause if it completely mismanaged its work causing bodily injury and property damage to others. Think about lost time, wages, extra expense incurred for repairing or replacing the work, and any future impacts. Are there intangible risks to be considered? For instance, is the project or event something that could result in negative publicity?

Prevention and Reduction

Are there ways to prevent or reduce risk for a particular project that could be included as the project or program is being developed? For instance, some on-campus events may exclude minors from participating. Are there policies and procedures that might be developed that would serve to prevent or reduce risk? A good example of a prevention or reduction strategy is the District's mandatory training around sexual harassment and bullying. If employees understand these activities and the District policies around them these incidents and the District's exposure because of them, may be prevented or reduced.

Retention

Amount of money an insured entity becomes responsible for in the event of a claim. Retention is similar to a deductible amount. For any claims, the District's self-insured retention (SIR) will always pay the retention amount first.

Risk Financing

Sometimes it makes sense for the District to finance certain exposures. The District's Owner Controlled Insurance Policy (OCIP) is a great example. For

many large construction projects, the District purchases insurance for its contractors. This strategy tends to keep costs down and gives the District additional control over the quality of the insurance provider.

Avoidance

Is the event or project too risky? Should it be avoided altogether? For instance, the District's special events policy lists many events for which the insurer will not provide coverage. This means that the insurance industry places a high level of risk on the activity. Does the District or college want to accept such a risk?

Transfer Risk

The District's contract templates, insurance coverage limits, and many policies and procedures have been developed around the strategy of transferring an appropriate amount of risk away from the District.

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