

## **Business/Non-Instructional Operations**

### **Purchasing**

CREC's purchasing program complies with state and federal laws and regulations, applicable case law, and the Uniform Commercial Code (UCC). It is the role of CREC's Purchasing Department to ensure compliance, as well as promote responsible and ethical purchasing for the agency. All procurement efforts at CREC shall be driven, directed by, or done in collaboration with the Purchasing Department.

Purchases involving federal funds shall comply with C.F.R. Sections 200.318-200.326. Federal grant purchases in an aggregate amount over \$10,000 shall comply with the provisions of the 2018 National Defense Act.

All contracts or payments of bills must be authorized through the CREC budgetary approval process. Payment for goods and services shall be authorized if: the expenditure is within budgetary limits; the expenditure has been made within approved purchasing policies and regulations; and the purchasing agent or program manager certifies that the equipment, material, or supplies were received in acceptable condition and/or a service was completed in an acceptable manner.

cf. 4118.13 Conflict of Interest

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CAPITOL REGION EDUCATION COUNCIL  
 Hartford, Connecticut

## **Business/Non-Instructional Operations**

### **Purchasing**

Purchasing activities result in legal binding contracts on behalf of CREC and may have significant legal and financial consequences. Accordingly, the Purchasing Department shall be familiar with and perform all purchasing activities within the limitations prescribed by CREC policies, state and federal laws and regulations, and the Uniform Commercial Code.

All purchases made with funds received by CREC must be made only after express written approval of the program manager and the Purchasing Department have been obtained. Purchases or contracts made outside of the approved purchasing system shall not be the responsibility of CREC.

CREC staff who are designated by program managers and have received approval and training from the Purchasing Department to participate in the purchasing system shall:

1. Select the proper product/service for the purpose required.
2. Ensure that appropriate planning has been executed to ensure that the product/service is available when needed.
3. Select the proper amount of product/service.
4. Obtain the product/service for the best value, ensuring that no sales taxes are paid; CREC is a tax-exempt entity.

Any exceptions to the purchasing procedures may only be made upon written approval from one of the following: the Executive Director, the Deputy Executive Director, or the Purchasing Department.

### **Levels of Procurement**

- \$1 - \$5,000 - Sound business practice & judgement use of existing contracts issued by the agency or cooperatives whenever possible
- \$5,000 - \$10,000 – Two (2) written quotes are required
- \$10,000 - \$25,000 - Three (3) written quotes are required
- \$25,000 and over – Formal Bid/RFP process

### **General Information and Objectives**

#### **Goals**

The primary objective of CREC's Purchasing Department is to provide programs and departments with the appropriate supplies, materials, equipment and services needed on a timely basis, for the best

overall value, while minimizing risk to the agency. The Purchasing Department strives to achieve practical, efficient and effective purchasing procedures that will meet this objective. It must do this while maintaining fair and open competition among vendors competing for CREC business, meeting all legal requirements, and insuring a proper commitment and expenditure of CREC funds.

**Objectives**

- To procure goods and services at the best value consistent with quality, reliability, service and availability and to ensure that such goods and services are in the required place, in the required quantity, at the required time.
- To realize economies of scale by promoting standardization of equipment, supplies and services covered by these rules, as far as practicable.
- To make every reasonable effort to ensure reliable and competitive sources for all.
- To conduct purchasing without regard to political affiliation, race, sex, age, religion or national origin.
- To identify, assess and respond to purchasing and procurement issues that may pose a financial, operational, or reputational risk to CREC.

When in the best interests of CREC and as required by state statute, the purchase and use of recycled products shall be encouraged whenever practicable, and may be done along with any recycling program that CREC may establish.

**Ethics**

Purchasing activity, due to its nature, is subject to public scrutiny. The public must be confident that public funds are spent prudently on its behalf. Perceptions of fraud or misuse can lead to an erosion of this public trust. It is of paramount importance that dealings of a compromising nature or even the appearance of such be avoided.

**Independence**

A CREC employee (including an independent contractor) placing an order or recommending a vendor must disclose any relationship with that vendor which would not be considered an “arms-length” or independent transaction. This disclosure must be made in accordance with CREC’s Conflict of Interest policy.

For a transaction to be considered “arms-length” or “independent”, a CREC employee should not be influenced, dependent upon, guided or controlled by a vendor into choosing that vendor or item to purchase; nor should it appear to a third party that a CREC employee made a purchasing decision based upon a personal relationship between the CREC employee and vendor.

The following are examples when a transaction is NOT considered arms-length or independent: (1)

when there exists a personal relationship between a CREC employee and a vendor, (2) when there exists the potential for a personal benefit to a CREC employee, or (3) when the parties to a business transaction are dependent upon one another for a benefit other than the purchase itself.

**Planning and Scheduling**

It is essential that all programs and departments together with the Purchasing Department staff schedule the acquisition of goods and services to avoid last minute emergencies and unnecessary shortages. Failure to plan properly places unjustified burdens on the program/department and Purchasing; it may produce operational difficulties for the user department and, in most cases, will result in additional costs to CREC.

**Source Selection**

Competitive source selection allows CREC to make prudent business decisions, with the goal of purchasing high-quality goods and services at competitive prices. Through public bidding, the agency invites as many qualified bidders as possible to compete for CREC’s business. To help us do so efficiently, CREC’s Purchasing Department maintains a listing of vendors with whom CREC has current contracts and/or cooperative agreements, all of which have been vetted. It is recommended that programs and departments utilize these existing contracts and vendors to solicit quotes.

When requesting goods and services, consideration should be given to quantity discounts which offer economic incentives, keeping in mind the availability of storage space.

Contract or specialty services should be purchased from vendors who are known to be competent, fair and competitive in the discipline.

If goods or services are being ordered from a new vendor, accounts payable must be contacted to add the vendor, and a completed W-9 Form from the vendor with Tax ID number must be submitted.

For technology purchases, Policy 3523.1, Acquisition and Updating of Technology, must also be consulted.

**A. Quotes**

Quotes are a written response from a vendor for a specific purchase. The Purchasing Department should be consulted before soliciting quotes, to provide for combination and promote efficiencies throughout the district. Quotes shall be solicited for the following procurement levels:

- 1) For purchases between \$5,000 and \$10,000, two (2) written quotes are required.
- 2) For purchases above \$10,000 and up to and including \$25,000, three (3) written quotes are required.
- 3) For purchases involving federal funds, C.F.R. Sections 200.318 to 200.326 must be followed.

For purchases over \$10,000 in the aggregate the 2018 National Defense Act must be followed.

For grant funded purchases, federal or otherwise, the more stringent policy applies whenever there is potential conflict between bid limits. The above stated thresholds apply to all purchases, including those made with a P-Card.

#### B. Bids

For purchases above \$25,000, competitive bids must be obtained through a formal solicitation facilitated by CREC's Purchasing Department. The Purchasing Department establishes and oversees bidding procedures for the agency, including advertising requirements, bidding timelines, bid openings, and specifications for contracts with, or agreements to purchase from, successful bidders.

These solicitations must be posted for no less than fourteen (14) days on the State of Connecticut, Department of Administrative Services website and the CREC bidding website. Solicitations may also be advertised in a newspaper having a general circulation in the Hartford or service area of the project. Newspaper advertisement of RFPs must be made when required by the funding source.

Specifications relating to goods and services are joint responsibility of the programs and the Purchasing Department.

The following requirements will be followed when requesting a bid:

1. The program manager, or individual responsible for the business purchase, will write the request for proposal (RFP) with the assistance of the purchasing department. All instructions and specifications will be clearly stated and complete, setting forth all necessary conditions conducive to competitive bidding. Specifications relating to goods and services are a joint responsibility of the programs and the Purchasing Department.
2. Completed RFPs will be forwarded to the Purchasing Department for review and approval. The Purchasing Department will advertise the RFP.
3. No bids may be accepted after the stated advertised time.
4. The Purchasing Department will coordinate responses to bidders. Copies of bid responses will be shared with the school/program requesting the purchases.

#### **Waivers and Exclusions**

The following purchases may be excluded from the above quotes and bids requirements. However, every attempt should be made to obtain these items from contracted sources that the Purchasing Department has vetted and approved. Documentation of how the source was selected shall be submitted along with the requisition to the Purchasing Department for review and approval.

1. Textbooks and library materials which align to the required curriculum set forth by the State Department of Education.
2. Professional contracted services (such as architectural, legal & accounting services, educational and training consultants hired to deliver services on behalf of CREC, and medical specialists with specific expertise). General contracted services are not considered an exclusion.
3. Goods and services available through pre-bid cooperative purchasing programs run, sponsored or endorsed by CREC.
4. Goods and services available through pre-approved State contracts (via the State of Connecticut, Department of Administrative Services, procurement services website: [www.das.state.ct.us/busopp.asp](http://www.das.state.ct.us/busopp.asp)) up to \$250,000.
5. Purchases where only one supplier exists. This includes situations such as the purchase of copyrighted materials and textbooks. "Sole source" refers to a good made and marketed, or service supplied, by a vendor having the exclusive right to manufacture and sell such item, based on its technological, specialized or unique character. Sole source providers must be approved by the Purchasing Department.
6. Emergency purchases of goods or services necessary to avoid injury or damage to human life or property.

### **Emergency Purchasing Procedures**

Occasionally, an emergency arises when the normal purchasing procedures cannot be followed. In these situations, the program/department should contact the Purchasing Department for assistance. Any special requirements shall be discussed at this time.

Failure to properly plan for routine purchases, routine maintenance or running out of stock items is not considered a basis for emergency purchases, and can result in a denial of a request for an emergency purchase.

Purchasing procedures must be flexible enough to deal with bona fide emergency situations. However, whenever possible, competitive pricing shall be obtained for such emergency purchases.

If it becomes necessary for a department to make an emergency purchase after work hours, such as nights or weekends, and attempts to reach the Purchasing Department are unsuccessful, the department may make the purchase without a purchase order, with the approval of the division or program director. The department shall contact the Purchasing Department on the next working day, but no later than forty-eight (48) hours after order placement, and give all pertinent information so that a request for requisition and a confirming purchase order can be processed to cover the emergency purchase.

**Awarding of Quotes, Bids & Contracts**

Quotes, bids and contracts will be awarded to the highest qualified, responsible bidder with the lowest cost.

In the event of identically low bids, consideration will be given to local and minority vendors. The Executive Director or designee reserves the right to waive in writing any formality in the bidding process and/or to reject any and all bids. The rationale for rejection shall be documented.

All contracts between CREC and outside organizations, agencies or vendors shall conform to prescribed standards as required by law and be reviewed by the Deputy Executive Director, and be subject to the approval of legal counsel, if necessary.

**Any contract that binds CREC in any financial or risk exposure manner must be signed by either the Executive Director or the Deputy Executive Director.**

CREC shall not enter into any contract with a person, agency or organization if it has knowledge that such person, agency or organization discriminates on the basis of race, color, religious creed, age, marital status, national origin, sex, sexual orientation, or physical handicap or disability, either in employment practices or in the provision of benefits or services to students or employees.

**School Construction Purchases & Contracts**

All purchases, contracts and orders placed for school construction will follow the CT State Statute Chapter 173 Public School Building Projects Sec. 10-287(b):

“All orders and contracts for school building construction receiving state assistance under this chapter shall be awarded to the lowest responsible qualified bidder only after a public invitation to bid, which shall be advertised in a newspaper having circulation in the town in which construction is to take place, except for (1) school building projects for which the town or regional school district is using a state contract pursuant to subsection (d) of section 10-292, and (2) change orders, those contracts or orders costing less than ten thousand dollars and those of an emergency nature, as determined by the Commissioner of Education, in which cases the contractor or vendor may be selected by negotiation, provided no local fiscal regulations, ordinances or charter provisions conflict”.

**Travel Expenses**

Please refer to Travel Policy and Regulation 3314 for more details.

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