

PURCHASING POLICY

I. Policy Section

11.0 Business Functions

II. Policy Subsection

11.15 Purchasing

III. Policy Statement

This policy governs the acquisition of all goods and services deemed necessary to support the operations of Grand Rapids Community College (GRCC), and sets forth basic requirements and guidelines for such purchases. The guidelines and requirements identified in this policy are meant to conform with requirements established by the College's Board of Trustees. Board of Trustees requirements regarding purchasing and procurement include those set forth in the Board's Policies.

Maximum value including, cost, quality, and service, shall be sought for each dollar expended under this policy, and all transactions under this policy shall serve the best interests of the College. In all procurements, the purchaser shall act in the best interest of the College to determine the greatest value and promote a fair and competitive process among vendors. Purchase decisions may be based upon the lowest price. However, all relevant factors, such as warranties, service, additional fees, delivery schedule, and quality shall be considered.

All College purchasing subject to this authority to this policy shall occur within defined authority; shall conform with applicable policies and procedures; and shall be undertaken in accordance with applicable federal, state, and local laws, rules, and regulations for public procurement

IV. Reason for the Policy

This policy serves to provide clear direction to all College staff and vendors regarding GRCC's purchasing processes by identifying procedures that are compliant with applicable laws, rules and regulations, and meet requirements established by the Board of Trustees.

The procedures identified in this policy are further designed to delineate the authority of the College's Purchasing Department and ensure GRCC's ability to make purchases that are necessary to support all College operations.

The procedures identified in this policy are also intended to ensure that the purchasing decisions are consistent with professional business practices that serve

the best interest of the institution and the public – including through fair procedures that maintain public confidence, avoid improper conflicts of interest, and promote positive relationships with suppliers.

V. Entities Affected by this Policy

All employees
Board of Trustees
Independent Contractors
Applicants
Students
Vendors
College guests
Community and constituencies accessing services
Volunteers

VI. Who Should Read this Policy

All employees
Board of Trustees
Independent Contractors
Applicants
Students
Vendors
College guests
Community and constituencies accessing services
Volunteers

VII. Related Documents

- A. Conflict of Interest Policy (Policy 6.7)
- B. Contracting Authority Policy (Policy 3.7)
- C. Voluntary Product Accessibility Template (VPAT)
- D. Apparel Spending Guidelines
- E. Micro-Local Business Enterprise Guidelines

VIII. Contacts

Policy Owner: Director of Purchasing
Associate Director of Purchasing

IX. Definitions

- A. Blanket Purchase Order/Annual Award: A purchase order that remains open and valid for buying for a period of one year, typically from July 1st to June 30th.

- B. Joint Venture: A legal business entity comprised of two (2) or more separate businesses established with the intent of undertaking a single project for profit, for sharing of profits and losses and by contribution of skills or property by the parties as described in the joint venture agreement.
- C. Micro Local Business Enterprise (MLBE): A business certified for a period of time by the City of Grand Rapids as meeting special business requirements such as being an established business, registration as a small business with the Small Business Administration; and additional requirements for business size, location, and personal net worth of the controlling owners in order to qualify for bid discounts under the City of Grand Rapids Equal Business Opportunity policies.
- D. Purchase: To obtain in exchange for money or to buy.
- E. Pyramiding: Segmenting a large purchase into smaller purchases.
- F. Requester/Requisitioner: The individual who submits a purchase requisition for processing.
- G. Quote: To obtain a price for goods or services.

X. Procedures

- A. Gifts: The Director of Purchasing will monitor gift activity and rectify any violation of this policy regarding gifts at their discretion.

Trustees and college employees are prohibited from accepting or soliciting potential or present supplier gifts for personal use, which may influence, or appear to influence, purchase decisions. Trustees and college employees are prohibited from accepting personal gifts from suppliers exceeding a value of \$25. Personal supplier gifts exceeding \$25 must be turned over to the Director of Purchasing. Gifts of food in excess of \$25 may be shared with all departmental employees.
- B. The purchase of gifts for individuals with College funds (including, but not limited to gift cards, gift certificates, GRCC Bookstore items, Raider Bucks, golf outings, and/or flowers) is strictly prohibited, with the exception of student incentives. The purchase of student incentives must be approved in advance by the Purchasing Department or appropriate Executive Budget Control Officer (EBCO). Such approvals will be made in consultation with the Financial Aid Department, as appropriate.
- C. MLBE's: This policy takes precedence with regard to any conflicts between this policy and City of Grand Rapids' MLBE policies, rules, or regulations.

1. Micro-LBEs acting as subcontractors shall provide a written quote that includes all pertinent information for that portion of the project that the subcontractor seeks to perform. A prime contractor shall not submit a bid containing a quote from a subcontractor, unless the prime contractor has received such quote in writing from the subcontractor. A subcontractor shall not be permitted to subcontract or assign any of such work upon which it submits a quote without the prior express written permission of GRCC Purchasing Director.
 2. Prime contractors may not terminate an approved Micro-LBE subcontractor working on a GRCC construction project, and then perform the work on the terminated subcontract with its own forces or those of another subcontractor, without prior written consent by GRCC Purchasing Director. If a Micro-LBE subcontractor fails to complete its work on the contract for any reason, a prime contractor must notify GRCC Purchasing Department and Facilities Departments and make good faith efforts to find another approved Micro-LBE subcontractor to substitute for the original Micro-LBE subcontractor. Utilizing good faith efforts, and to the extent reasonable, the prime contractor shall substitute an approved Micro-LBE subcontractor to perform the same amount of work under the contract as the Micro-LBE subcontractor that was terminated.
- D. Purchasing Department: The Purchasing Department serves the needs of the College for all purchases amounting to \$7,500 or more, and maintains exclusive authority to make commitments for such purchases in accordance with the procedures set forth in this policy. In fulfilling this role, the Purchasing Department is also responsible for all contacts with suppliers regarding price, delivery, terms, quantity requirements, and other matters of a contractual nature. The Purchasing Department is also responsible for the disposal of surplus, obsolete, and inoperable equipment.

Purchases involving amounts between \$7,500 and \$39,999 may be authorized by the Associate Director of Purchasing, or designee, within the Purchasing Department. Purchases involving amounts exceeding \$39,999 shall be approved by the Director of Purchasing, or designee.

In addition to Purchasing Department authorization, all purchases involving amounts between \$40,000 and \$100,000 shall be submitted to the Board of Trustees after being executed. Subject to the following exceptions, all contemplated purchases involving amounts that exceed \$100,000 must receive prior authorization from the Board:

1. Emergency and Critical Situations: When deemed necessary to guarantee the safety of students, staff, and visitors, the President, after

consultation with the Board Chairperson, may provide approval for the purchase of goods and services, and property leases when the initial order, annual order, contract or agreement exceeds \$100,000. of students, staff and visitors. These purchases will be reported at the next Board of Trustees regular meeting.

2. If a rate is fixed by the Public Service Commission or a governing unit, the Board of Trustees need not approve payments in those instances as is true in compensation and certain fringe benefits. Approval of payments for bond indebtedness, interest, leases, library materials, rentals, utilities, specified goods and services under grants, payments to employees, and to participating agencies under consortium agreements is not required when prior approval of the contract or agreement has been given by the Board.

E. Purchasing Process Requirements:

A minimum of three (3) written competitive quotes on company letterhead, shall be obtained for all purchases between \$7,500 and \$39,999 unless there is a single source supplier or other circumstances prohibiting competitive pricing. Written competitive quotes are required at \$3,000 for federally funded purchases. Budget Control Officers shall be responsible for obtaining written competitive quotes between \$7,500 and \$39,999, or \$3,000 and \$14,999 for federally funded purchases. The Purchasing Department will assist the BCO in obtaining written competitive quotes between \$7,500 and \$39,999.

Except as otherwise provided within this policy, competitive sealed bids are required for all purchases of \$40,000 or more. All competitive sealed bidding will be conducted by the Purchasing Department.

The Director of Purchasing shall keep a file of all quotations and bids received by the Purchasing Department under this policy for a period of (7) seven years.

Exception: Written competitive quotes for construction, renovation, engineering and/or architectural projects may be obtained by the Executive Director of Facilities or designee up to \$39,999. Budget Control Officers are responsible for ensuring competitive quotes for purchases less than \$7,500.

- F. Goods and services purchased for resale and paid for with monies from Agency Funds and/or Auxiliary Funds: Such purchases are exempt from this policy.
- G. Bids shall be solicited from supplier pool that is representative of the GRCC Metropolitan Statistical Area whenever possible.
 1. Bids will be solicited from qualified sources who present the potential to provide the best overall value. GRCC reserves the right to re-bid when

two or less responses to a bid are received or for any other reason(s) deemed necessary in the best interest of the College.

2. Purchases will be made from GRCC District area vendors in all cases where price and all other factors are equal to or lower than vendors outside the GRCC District, at the discretion of the Director of Purchasing. In those cases where the GRCC district vendor bid price exceeds the bid price of the vendors outside the GRCC District, and the advantage to the College is service and/or deliverability, the College reserves the right to award to the vendor within the GRCC District at the discretion of the Director of Purchasing.
 3. All formal bids shall be requested based on F.O.B. (Free on Board) – DESTINATION. Exceptions can be made at the discretion of the Director of Purchasing.
 4. All formal bids shall be sealed (hardcopy or electronic) and endorsed with the bid name and the bid number.
 5. Bids/Quotes shall be net and exclude all Federal, State, and excise taxes.
- H. All bids and specifications shall be available for inspection. Solicitations shall include all bidder requirements and all product requirements including brand name or equal, technical and/or performance requirements, range of acceptable characteristics, minimum acceptable characteristics, minimum acceptable standards and any other factors to be considered in evaluating bids or proposals. Where appropriate, an analysis will be made of lease vs. purchase alternatives, and any other analysis necessary to determine the most economical approach. Additionally, a review of proposed procurements will be conducted periodically to avoid the purchase of unnecessary or duplicative items.
- I. Accessibility: All products and services must be universally accessible to all members of the GRCC community regardless of mobility, vision, hearing, cognitive, developmental ability level or diagnosis that substantially limits daily life activity as mandated by the Americans with Disabilities Act as Amended (2008) and Section 508 of the Rehabilitation Act (1973). Any questions regarding this can be directed to the Director of Equal Opportunity Compliance.

Accessible Electronic Information Technology: To ensure the procurement of products and services which are compliant with Section 508 of the Rehabilitation Act of 1973 (as amended in 1998), the vendor must provide Section 508 compliance audit or test results that document the testing

methodology utilized to determine the product or solution's compliance and the results of the accessibility audit. The procurement officer will note whether the testing was conducted by the vendor or whether an independent third-party auditor was retained.

- J. Blanket Purchase Orders shall not be issued for more than \$40,000 in any fiscal year without solicitation of sealed competitive bids. Exceptions are as listed below, and/or those determined by the Director of Purchasing.

1. Banking Services
2. Honorariums
3. Legal Services
4. Utilities and Telephone Service
5. Medical Services
6. Tax Payments
7. Travel Consultants

- K. Competitive sealed (hardcopy or electronic) bidding on all purchases of goods and services over \$40,000 will be conducted and bids will be advertised in the appropriate media (there are no departmental exceptions). All bids and specifications shall be available for inspection. Sealed bids are not required for purchases under contracts established by the College, a public agency or cooperative agreements. Annual awards resulting from sealed bidding are subject to an annual review for quality and cost increase/containment; and consequently, may be extended for two additional years, for a total term of three years, at the discretion of the Director of Purchasing. The Board of Trustees authorizes the Director of Purchasing to approve sealed bid exemptions deemed necessary in the best interest of the College and emergency purchases involving safety of persons, protection of property or the prompt restoration of service to minimize interruption of college activities. These purchases will be reported at the next Board of Trustees regular meeting.

- L. Bid Discount Program: Bid discounts shall apply to all bids estimated at \$5,000 or more, administered by the Purchasing Department. The bid discounts may not exceed 5% or \$25,000 per bid, whichever is lower.

1. Goods and Services:

GRCC may provide a 5% bid discount to businesses currently certified by the City of Grand Rapids as a Micro-LBE. Businesses are required to provide a City of Grand Rapids certification approval letter.

2. Construction:

- a. Contractor Participation: GRCC may provide up to a 5% bid discount to price contractors currently certified by the City of Grand Rapids as a Micro-LBE.
- b. Subcontractor Participation: Construction bids may be discounted when a contractor on a GRCC project voluntarily obtains Micro-LBE subcontractor participation.
 - i. Prime contractors must submit affidavit(s) verifying Micro-LBE subcontractor participation.
 - ii. Subcontractors are required to provide a City of Grand Rapids certification approval letter.
 - iii. The following is a schedule of discounted percentages based upon Micro-LBE subcontractor participation achieved by the contractor:

Micro-LBE Subcontractor Participation Discount

5% - 10.0%	1.0%
10.01% - 15.0%	2.0%
15.01% - 20.0%	3.0%
20.01% - 25.0%	4.0%
25.01%+	5.0%

- c. Joint Venture Bidding: As an incentive to contractors engaging in activities that stimulate the growth and development of local, small emerging businesses as partners bidding as a joint venture, GRCC may apply a 5% bid discount for partnering with an approved Micro-LBE.
- M. Rejection of Bids: The Board of Trustees and/or the Director of Purchasing (acting as the BOT designee) reserves the right to accept or reject any or all bids, or any part thereof, to award by item, combination of items, or lot; or to accept the lowest qualified bid as deemed necessary in the best interest of the College.
- N. Sole source purchases are allowable only when obtaining competitive bids is impossible or when substitutes have been ascertained to be unacceptable, and after conducting a good faith review of applicable sources. Sole source purchases over \$7,500 must include proper justification detailing why competitive bids would not be appropriate and that there is only one source for supplying the requested goods, service or construction item. The sole source

justification does not relieve the responsibility of the Requisitioner or Purchasing Department to obtain a fair and reasonable price.

O. Infrequent purchase of materials, equipment, goods, supplies or services of \$7,500 and less may be made without the execution of a requisition and/or purchase order.

1. For a purchase order number, Requesters should use their first initial/last name, hyphen and bldg./floor (Example: MDAVIS-ADM1, indicating M. Davis, Administration Building, 1st floor).
2. Vendors should be instructed to note the purchase order number on the invoice and all related correspondence; forward the associated invoice to the Requester; and ship to the 151 Fountain St. NE receiving address.
3. The Requester should sign and date the invoice indicating receipt, add the appropriate account number, obtain appropriate Budget Control Officer's signature authorizing payment, and forward the original executed invoice to Accounts Payable for payment processing within ten days of the invoice date.
4. This policy segment is designed for sporadic, infrequent purchases and is not to be utilized for vendors with a fiscal annual spend of \$25,000 or more.
5. Purchases will be monitored for pyramiding, which will not be tolerated.
6. Computers and accessories, computer hardware, computer software, fixed assets and furniture are exempt and must be purchased under normal purchasing procedures.

P. Purchase of materials, equipment, goods, supplies or services greater than \$2,500 shall not be made without the execution of an electronic requisition and subsequent purchase order, with the exception of procurement card purchases and excluded items noted in this policy.

Q. Procurement/Travel Cards:

Procurement Cards:

1. Procurement cards will be issued to GRCC staff upon request at the discretion of the Director of Purchasing.
2. Upon acceptance of the procurement card, cardholders agree to the GRCC Procurement Card Agreement and to act as responsible agents to protect college assets.

3. Procurement cards may be used for GRCC low value purchases in the following categories; MRO (Maintenance Repair Orders), seminars, books or journals, general goods and services, subscriptions and in instances where a check request may be used.
4. Improper use of the card can result in disciplinary action, up to, and including termination.
5. GRCC employees should not use procurement cards or seek reimbursement for items where an institutional agreement exists (i.e. Food Service items, Gasoline, Office Supplies, Printing Service items) without prior approval from the Purchasing Department.
6. Requisitioners agree to conduct purchases in accordance with the GRCC Purchasing Policy and to act as responsible agents to protect college assets. Improper purchasing conduct can result in disciplinary action, up to and including termination.
7. Procurement cards may not be used for airfare, alcohol, gasoline, chemicals (w/o MSDS), consultant services, fixed assets, meals, travel related expenses and/or tuition reimbursement.

Travel Cards:

1. Upon acceptance of the travel card, cardholders agree to the GRCC Travel Card Agreement and to act as responsible agents to protect college assets.
2. All travel related charges are subject to the GRCC Travel Standards Policy/Guidelines & Procedures. Food and meal related charges are subject to the GRCC Food and Beverage Policy and Reimbursement of Employee Expenses Policy; otherwise, the cardholder is responsible for the associated charges.

All:

1. Use of the procurement and travel cards for personal purchases, cash advances and/or cash refunds is strictly prohibited. GRCC reserves the right to terminate cardholder use at any time and for any reason. Cardholders agree to relinquish the procurement card to GRCC upon request or termination of employment.
 2. Any exception to the procurement/travel card policy as noted above requires the advance approval of the Director of Purchasing.
- R. All purchases shall conform to budgetary restrictions formally adopted by the Board of Trustees.

- S. Vendors, Contractors, and Subcontractors shall not discriminate against any employee or applicant for employment in the performance of contracts with respect to hiring because of age, race, color, religion, marital status, sex (including pregnancy), sexual orientation, height, weight, national origin, disability, veteran status and/or any other legally protected class not heretofore mentioned. Breach of this covenant may be regarded as a material breach of the Purchasing Agreement as provided in the College Fair Employment Practices Agreement.
- T. Unauthorized purchase agreements or contracts may be disallowed by the Director of Purchasing, BOT and/or the President of the College or designee.
- U. Bidder Protests: Only a bidder on a given solicitation may protest an award decision. A bidder is considered a supplier who has submitted a formal offer which meets all submission requirements and is therefore considered "responsive". A "No Bid" in the context of a protest does not constitute a formal offer. GRCC Purchasing Department will not consider protests filed by manufacturers or suppliers selling through distributors, or businesses listed as subcontractors in a vendor's proposal.
 - a. In order to initiate a protest, a bidder must follow these steps:
 - i. By 5:00 p.m. on the 2nd calendar day after the recommendation to award, the aggrieved bidder must submit a written protest to the Director of Purchasing.
 - ii. When notice of award has been issued, the date shall be calculated from the date of the notice of protest. If the last day is a Saturday, Sunday, or legal holiday, the period is extended to include the next day which is not a Saturday, Sunday, or legal holiday.
 - iii. When the protest due date falls on a Saturday, Sunday, or legal holiday, the bidder shall submit the protest by 5:00 p.m. on the next GRCC business day.
 - iv. The written protest must include the RFP/RFQ number and should clearly state the facts believed to constitute an error in the award recommendation, and the desired remedy.
 - v. Only the information provided within the 2-day deadline will be considered in arriving at a decision. The Director of Purchasing is not required to take into consideration any material filed by any party after the protest deadline.
 - b. The Director of Purchasing or the Director's designee will provide a written decision to the protesting party after investigating the matter, or

if more information is needed, will schedule an informal meeting before issuing a decision.

- c. Should the bidder decide to protest the Director of Purchasing's written decision, the bidder may appeal the matter to the Vice President for Finance and Administration. The written appeal should be received in the Purchasing Office within two business days after the bidder's receipt of the Director of Purchasing's written decision. The Vice President for Financial and Administration will take the matter under advisement and render a decision, which is final.
- d. Until issuing a final decision on a timely protest, GRCC Purchasing Department will not award a contract or purchase order pursuant to a disputed solicitation. However, if there is a specific urgency, emergency, threat to public health, safety or welfare, or danger of immediate and substantial harm to GRCC property from delay in making an award, the Director of Purchasing may proceed with an award and document the justification for such action.
- e. Issues Not Subject to Protest: To maintain the integrity of the procurement process and to ensure that GRCC receives procurements without undue delay, protests requesting waiver of the following omissions and requirements cannot be granted:
 - i. Failure of a bidder to properly complete sealed bid instructions.
 - ii. Failure of a bidder to submit the bid to GRCC Purchasing Department by the due date and time.
 - iii. Failure of a bidder to provide samples, descriptive literature, or other required documents by the date and time specified.
 - iv. Failure of a bidder to provide a required bid bond or performance bond by the date and time specified.
 - v. Failure of a bidder to submit a protest within the time stipulated in the notice to award or as determined by the Director of Purchasing.
- f. If there are no responsive bids, these requirements may be waived at the discretion of the Director of Purchasing. In fairness to bidders who meet specifications and to prevent delays in procurement, GRCC Purchasing Department will not withdraw a recommendation to award or re-evaluate bids when a protest maintains that the RFQ/RFP specifications were faulty or that a bid exceeding specification provided a better value than a lower bid meeting specification. A supplier must raise specific concerns about the RFQ/RFP specifications.

V. Debarment: GRCC may debar a vendor from participation in the bid process and from contract award upon notice and a finding at GRCC's discretion that the vendor is not able to perform responsibly, or that the vendor, or an officer or an owner, has demonstrated a lack of integrity that could jeopardize the College's interest if the College were to contract with the vendor.

W. Non-Discrimination: When soliciting and selecting vendors, the GRCC Purchasing Department shall not in any way discriminate against any vendor because of age, race, color, religion, marital status, sex/gender, pregnancy, sexual orientation, gender identity, gender expression, height, weight, national origin, shared ancestry, disability, political affiliation, familial status, veteran status or genetics and/or any other legally protected class recognized by law or College policy. Additionally, GRCC shall not patronize, or continue to patronize vendors known to practice any form of discrimination.

XI. Forms

All forms prepared and/or maintained by the GRCC Purchasing Department related to purchasing and procurement processes, including, but not limited to, the following:

- A. Fair Employment Practices Agreement
- B. Procurement Card Agreement
- C. Purchase Order
- D. Supplier Application
- E. Rationale Form
- F. Logo Apparel Guidelines
- G. Debarment Form

XII. Effective Date

November 15, 1993

XIII. Policy History

Revised July 17, 2007
Revised August 8, 2007
Revised January 27, 2010
Revised October 6, 2010
Revised February 22, 2011
Revised August 2, 2013
Revised September, 2016
Revised April, 2018
Revised February, 2019
October, 2020 - no revisions
Revised October, 2022
Revised September, 2025

XIV. Next Review / Revision Date

September, 2028