AP 6340 Bids and Contracts (Excluding Public Works and Facilities Use)

References:
Education Code Section 81641 et seq., 81651; Public Contracts Code Sections 20650 et seq., 22000 et seq.; Labor Code 1770 et seq.
Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794d); 36 CFR 1194.1 et seq.; Government Code Section 11135; Title 5 Section 59300 et seq.

Before the Santa Clarita Community College District (“District”) can enter into a binding contract/agreement, there must be an acceptance of the contract/agreement by the Governing Board either through approval or ratification at a public meeting. The contract/agreement becomes binding at the time of adoption by the Governing Board and communication of Board’s approval to vendor/contractor/consultant. No contract/agreement shall be valid nor constitute an enforceable obligation against the District unless and until same has been approved or ratified by the Board. Board ratification shall take place within 60 days of execution of contract/agreement. [CA Ed Code 81655 and 81656]

All Contracts/Agreements on behalf of District not specifically required to be signed by the CEO and or Clerk of the Board of Trustees, will be signed by the CFO, as authorized representative, or a designee of the CFO. Names of approved signatories may be obtained from Contract, Procurement and Risk Management Services (CPRM). Contracts/Agreements signed by anyone not Board-approved will be considered invalid and will not be honored by District. [Reference: Policies 6330, 6340]

Contracts/Agreements to CPRM Services – All contracts/agreements shall be submitted to CPRM Services for compliance review after initiator receives determination to proceed from manager/division dean and Executive Cabinet member [exceptions: Facilities Use (below) and Public Works (below)].

Contracts/Agreements for Equipment, Materials, Supplies and Services UNDER Current Bid Limit* (updated annually) – Purchases from a single vendor or for a single commodity, totaling less than the bid limit, do not require a contract/agreement, except for Independent Contractors, see below. However, District, at its discretion, may choose to enter into a contract/agreement. For example: (1) when so doing, provides a benefit to District in the form of pricing or goods, or (2) contractor requires a contract and, in District’s evaluation, it would be beneficial to District.

Contracts/Agreements for Equipment, Materials, Supplies and Services OVER Current Bid Limit* – Purchases or leases from a single vendor or for a single commodity, totaling more than the bid limit, require a formal bid process. This process includes, but is not limited to: advertising; submission of formal, written proposals by bidding contractors; and Board approval. The lead-time is approximately three months but this timeframe can vary and must be determined on a case basis.
• As soon as faculty or staff becomes aware that a purchase or lease over the bid limit is necessary, contact respective manager/division dean who will contact Executive Cabinet member for determination to proceed. Once determination is made, CPRM Services must be contacted to begin the formal bid process.

*NOTE: Bid Limit is an amount designated by the Board of Governors each January.

Type of Contracts/Agreements

• **Purchase Order (Including Blanket Purchase Order)** – Purchase Orders are contracts and are the most commonly used means for acquiring equipment, materials and supplies. Purchase Orders are processed by CPRM Services and placed on the Board Agenda each month for ratification.

• **Independent Contractor Agreement** – District has the following agreements for use with independent contractors:
  
  o **Independent Contractor BASIC Services** – All Basic services provided by an independent contractor require a written contract/agreement. Independent contractor status is determined using the “Worksheet to Determine Independent Contractor vs. Employee” form available from CPRM Services.

  **When To Use a BASIC Services Contract** – Basic services of an independent contractor are services of a short term, temporary nature, where the services can be easily delineated in the standard “boilerplate” agreement available from CPRM. Basic Services agreements are usually for $600 or less. With Basic services, the deliverables or outcomes to be provided are not complex. Examples of BASIC services would be an entertainer or food server at an event, a musician used in a class/event setting, a professional development workshop facilitator, or a community extension workshop instructor, etc.

  o **Independent Contractor LECTURER/SPEAKER Services** – All paid Lecturer/Speaker services provided by an independent contractor require a written contract/agreement. Independent contractor status is determined using the “Worksheet to Determine Independent Contractor vs. Employee” form available from CPRM Services.

  **When to Use a LECTURER/SPEAKER Services Contract** – Lecturer/Speaker services of an independent contractor are guest lecturer/speaker services of a short term, temporary nature where the services can be easily delineated in the standard “boilerplate” agreement available from CPRM. Example of LECTURER/SPEAKER services: a guest speaker for an event or class.
- **Independent Contractor PROFESSIONAL Services** – All professional services require a written contract/agreement. Independent contractor status is determined using the “Worksheet to Determine Independent Contractor vs. Employee” form, available from CPRM Services.

**When To Use a PROFESSIONAL Services Contract** – Professional services of an independent contractor are services which are complex in nature, where the deliverables or outcomes require a high level of professional expertise. With professional services, the District and the independent contractor execute a contract/agreement particular to the agreed upon assignment. **Examples of PROFESSIONAL services** would be an attorney, auditor, professional consultant (e.g., public bond, grant writer, specialty analysis/service), construction inspector, etc. Upon determination to proceed by manager/executive committee member, initiator will submit the following forms, as applicable, to CPRM Services:

- When contracting with an independent contractor, the following are required:
  - **Worksheet to Determine Independent Contractor Status** – When Vendor Information Form and Contract/Agreement are applicable and have been completed, forward these two items with this “Worksheet to Determine Independent Contractor Versus Employee” to CPRM Services.
  - **Vendor Information Form** – For independent contractors, who are new vendors to the District, obtain form from CPRM Services. This document is completed only the first time a vendor provides services or if there is a change to the information provided.
  - **Contract/Agreement** – Independent contractor must enter into a written contract/agreement with District in order to receive payment. The District has two standardized contracts, one for Basic Services and one for Professional Services; both can be obtained from the District’s intranet or from CPRM Services. Occasionally an independent contractor will provide his/her own contract/agreement; however, it must include certain District-required language, which is available from CPRM Services. Only a Board-approved signatory may sign a contract/agreement on behalf of the District and CEO is the primary signers; names of other authorized signers are available through CPRM Services. Originator should contact CPRM Services for questions and assistance.
  - **Prepare Purchase Requisition to Encumber Funds** – Prepare on-line Datatel requisition and write IN PENCIL the requisition number on the upper, right corner of the Agreement, e.g., “Requisition #001111.”
Upon completion of the above, as applicable, submit entire package to CPRM Services. Negotiation of contract terms to be handled by appropriate department or administrator. CPRM Services will:

- Review document and forward for additional review by legal counsel and/or insurance administrator, as appropriate.

- Coordinate with originator on any revisions. Note: Originator must allow sufficient time for such review before document is submitted to the Board. Typically two weeks before Board Items are due (which is about four weeks before the Board meeting); however, for complex documents and/or issues, more time may be required.

- Note: Originator may be responsible to provide Executive Cabinet Member with a draft Board Agenda Item. Originator must ascertain Executive Cabinet Member’s procedure.

- Facilitate execution of contract/agreement (Only a Board-approved signatory may sign a contract/agreement on behalf of the District).

- Distribute the executed contract/agreement.

- File the contract/agreement in Master File.

Contract Process Flow Chart:

Completion of Services – After services have been performed satisfactorily and an invoice is received, budget manager shall: (1) Approve invoice for payment
(A/P has a sample invoice form, if needed); and (2) Forward approved invoice to Fiscal Services/Accounts Payable.

**Other Agreements:**

- **Agreements Handled by Facilities:**
  
  - **Facilities Use Contract/Agreement** – The rental of District facilities is handled by the Civic Center using a Facilities Use rental agreement. Contact Civic Center.
  
  - **Public Works’ Field Services Contract/Agreement** – Facilities and maintenance public works under $15,000. Contact Facilities.
  
  - **Public Works’ Contract/Agreement-Over $15,000** – Public Works contracts for capital improvement projects are handled by the Facilities Department. Contact Facilities.

**MATRIX OF ALL AGREEMENTS**

<table>
<thead>
<tr>
<th>PURCHASING SERVICES</th>
<th>FACILITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GOODS</strong></td>
<td><strong>IC LECTURER/ SPEAKER and BASIC SERVICES</strong></td>
</tr>
<tr>
<td>Furniture; instructional and non-instructional supplies/equipment; textbooks; reference materials; subscriptions; software; advertising; printing, etc.</td>
<td>Short-term, temporary in nature</td>
</tr>
</tbody>
</table>

| 0-$14,999.99 | PO only unless vendor requires a contract | Agreement/Contract required PO required | Contact Facilities Department |
| $15,000-Bid Limit* | | | |
| Over Bid Limit* | Formal Bid-Contact CPRM Services Contract required by District | | |

*NOTE: Bid Limit is an amount designated by the Board of Governors each January. Excepting Public Works, any purchase or lease of equipment, materials, supplies or
services from a single vendor exceeding the Bid Limit must be open to a public bid. **Check with Purchasing Services for Bid Limit amount.**

**BID LIMITS**

Bids or quotations shall be secured as may be necessary to obtain the lowest possible prices as follows:

- Purchase of goods or services up to the limits set out in the Public Contracts Code will require documented quotes as outlined in AP 6330, Purchasing of Goods and Services.

- Purchase of goods or services in excess of the limits set out in the Public Contracts Code will require formal advertised bids.

Contracts involving expenditures that require competitive bidding require approval by the Board of Trustees prior to award.

**BID SPECIFICATIONS**

With limited exceptions, Bid specifications should not be proprietary or limited to a single manufacturer, (PCC 3400), but shall include a definite, complete statement of what is required and, insofar as practical, shall include pertinent details of size, composition, construction, and/or texture of what is specified, and minimum standards of efficiency, durability, and/or utility required of what is specified. An internal or external expert will be included in the development of bid specifications.

**ADVERTISEMENT OF FORMAL BID**

The District shall publish at least once a week for two weeks in a newspaper of general circulation circulated within the District or if there is no such paper, then in some newspaper of general circulation, circulated in the county, and may post on District’s Web site or through an electronic portal, a notice calling for bids or proposals, stating the materials or supplies to be furnished and the time and place when bids will be opened. District may accept a bid that was submitted either electronically or on paper.

Bid and contract forms shall be prepared and maintained by Director, Contract and Procurement Services. All applicable statutory provisions and board policies shall be observed in preparation of the forms.

The Director, Contract and Procurement Services shall be responsible for insuring that the bid specifications are sufficiently broad to encourage and promote open competitive bidding.

When required or determined to be appropriate, bids shall be accompanied by a certified or cashier’s check, or bid bond, in the amount specified in the bid form, as a guarantee that the bidder will enter into contract and furnish the required contract
bonds. When no longer required for the protection of the District, any certified or cashier's check received shall be returned to the respective bidder.

Contracts and Procurement Services shall make available to the prospective bidders bid forms with sets of specifications and drawings and shall provide a convenient place where bidders, subcontractors, and materiel personnel may examine the specifications and drawings.

**AWARDING OF BIDS AND CONTRACT AWARDS**

The awarding of bids and contracts shall be subject to the following conditions:

- Any and all bids and contract proposals may be rejected by the District for good and sufficient reason.
- All bids shall be opened publicly and bidder shall be given the opportunity to make record of the bids received.
- Bid and contract award recommendations to the Board shall show a tabulation of the bids received in reasonable detail.
- Bid and contract awards shall be made to the lowest responsible bidder substantially meeting the requirements of the specifications. The District reserves the right to make its selection of materials or services purchased based on its best judgment as to which bid substantially complies with the quality required by the specifications.

**OTHER PURCHASING OPTIONS (no bid required)**

The Director, Contract and Purchasing Services is authorized to make purchases from firms holding county contracts without calling for bids where it appears advantageous to do so, or the anticipated expense is under the bid limit.

The Director, Contract and Purchasing Services may, without advertising for bids within the same [county, city, town or district], purchase or lease from other public agencies materials or Professional services by authorization of contract or purchase order.

The Director, Contract and Purchasing Services may make purchases through the State of California Cooperative Purchasing Program or operated by the Department of General Services and other public agency contracts and “piggybackable” contracts as allowed by law.

**TERMS OF CONTINUING CONTRACTS FOR SERVICES AND SUPPLIES**

Continuing contracts for work or services furnished to the District are not to exceed five years.
Contracts for materials and supplies are not to exceed three years.
UNLAWFUL TO SPLIT BIDS

It shall be unlawful to split or separate into smaller work orders or projects any project for the purpose of evading the provisions of the Public Contract Code (PC 20657) requiring work to be done by contract after competitive bidding.

Electronic Systems and Materials

The District may contract with any vendor who has submitted one of the three lowest responsible competitive proposals or competitive bids for the purchase or maintenance of electronic date-processing systems and equipment, electronic telecommunication equipment, supporting software, and related material, goods and services. (Ed Code 81645)

Except as otherwise stated here, bids shall be solicited and contracts shall be awarded in accordance with AP 6340.

Criteria to determine what constitutes a responsive bid shall be established by the requesting department and supported by written analysis.

Supplemental instructional software packages may be purchased without taking estimates or advertising for bids.

Sale and leaseback of data-processing equipment or another major item of equipment is permissible if the purchaser agrees to lease the item back to the District for use by the District following the sale. The governing board shall first adopt a resolution finding that the sale or leaseback is the most economical means for providing electronic data-processing equipment or other major items of equipment to the District.

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