



# PURCHASING, RISK MANAGEMENT, WAREHOUSE AND MAILROOM



MERCED  
COLLEGE

# Welcome to the Merced Community College District Purchasing, Risk Management Warehouse and Mailroom Department

Our goals are to ensure that the goods and services necessary for the operation of the District are obtained at competitive prices and to guarantee fairness in the selection of vendors while providing the savings, service, and solutions supporting the achievements and success of every student and teacher in the District.

Our objective is to obtain goods, services and construction for public purposes according to laws and procedures intended to provide for the economical expenditures of public funds.

## THE PROCUREMENT PROCESS:

It is the intent that the District procures all materials, supplies, and services that best conform to District products, and services at the lowest overall price. To help insure this, the District obtains prices from qualified vendors through established competitive bid procedures set forth by Board Policy, Administrative Rules, Public Contract Code, and Education Code requirements.

When ordering equipment, materials and supplies, a purchase requisition is prepared by the using department and entered into the DATATEL financial system. The requisition should include a description of the item or items, fixed quantities, delivery dates and delivery location. The requisition is ultimately forwarded to the Purchasing Department and the process is as follows:

1. Quotations or bids are solicited
2. The purchase order is issued to the lowest and most responsible bidder
3. The products or service are delivered and accepted
4. Payment is authorized, and a check or warrant is issued to the seller

## BIDDING REQUIREMENTS

For purchases of less than \$5,000--Competitive bidding is not required. Such items may be purchased from any vendor offering the required goods or services at a reasonable price.

- For certain grants the district may seek bids for services valued at \$5,000 or less by subcontractors through telephone solicitations, writing, e-mail, or fax. The subcontract must be awarded to the lowest responsible bidder. There is no limit on the number of subcontractors solicited but at least two quotes must be obtained.
- Any purchase estimated to have a total cost to the District of \$5,000 to \$9,999 shall be awarded through the evaluation of no less than two verbal quotations.
- Any purchase estimated to have a total cost to the District of \$10,000 to \$19,999 shall be awarded through the evaluation of no less than two written quotations.
- Any purchase estimated to have a total cost to the District of \$20,000 to \$114,799 shall be awarded through the evaluation of no less than three written quotations.

Quotes may be obtained by telephone, via e-mail and/or in writing from the vendor. Copies of written quotes must be obtained for goods or services items between \$10,000 and \$114,799.

Non-competitive (sole source) bidding must meet one of the following justifications: a. There is only one source for the goods or services to be provided. b. The service is so unique that no other subcontractor can provide it. c. The subcontractor is the only subcontractor located near enough to provide the good or service in the required response time (equipment maintenance). d. The subcontractor has access to information or items not available from other sources. Any sole source contracts that exceed legal thresholds require Board approval.

Public projects and construction services projects less than \$60,000 may be performed by District employees, by force account, by negotiated contract, or by purchase order.

The Contractor shall not commence the work until the contractor has submitted and the District has approved required certificate(s) and affidavit(s), and the endorsement(s) of insurance. The Maintenance and Operations department performs the inspection and acceptance of the contractor's work.

## CALIFORNIA JOBS FIRST GRANT (may apply to other grants)

### Informal Competitive Bid Process

Fiscal Agents may seek bids for services valued at \$5,000 or less by subcontractors through telephone solicitations, writing, e-mail, or fax. The subcontract must be awarded to the lowest responsible bidder. There is no limit on the number of subcontractors solicited but at least two quotes must be obtained.

### Invitation for Bids {IFB}

A more formal method of bid solicitation is a written Invitation for Bids (IFB) that is advertised to the public. The lowest responsible bidder is awarded the contract. A formal bid opening is held, which is open to the public. IFBs are used when goods and services are \$10,000 or more and to secure simple, common, or routine services that may require personal or mechanical skills. The IFB states exactly what is wanted to ensure that bids received in response to the IFB will be the result of all bidders bidding on exactly the same work or equipment.

### Request for Proposals {RFP} or Solicitation for Proposals {SFP}

An RFP/SFP is a method generally used when soliciting for "a product of the mind" such as consulting services. An RFP/SFP does not specify the details of how the service or product is to be provided. The Fiscal Agent knows the business requirements it wants met but is not establishing the solution for meeting them. The subcontractor must propose a solution that will accomplish the Fiscal Agent's objectives. Bids are generally evaluated and scored/rated.

### Non-Competitively Bid {NCB}

An NCB transaction is a subcontract for goods or services where only a single business is afforded the opportunity to provide the specified goods or services. NCBs should be used only when a Fiscal Agent can establish circumstances necessitating a no-bid contract. The Fiscal Agent must retain documentation establishing the basis for restricting the goods or services to one supplier (e.g., the consequences of not entering into the NCB transaction, how the price was determined to be fair and reasonable). An NCB subcontract may be justified based on:

- There is only one source for the goods or services to be provided.
- The service is so unique that no other subcontractor can provide it.
- The subcontractor is the only subcontractor located near enough to provide the good or service in the required response time (equipment maintenance).
- The subcontractor holds the equipment warranty.
- The subcontractor has access to information or items not available from other sources.

## PURCHASES OVER \$114,800 EXCEPT FOR PUBLIC WORKS PROJECTS

Formal bidding is required for a single item or an aggregate of like items (i.e. copier paper) that cost \$114,800 dollars or more. Formal bidding requires that the user department write specifications describing the needed goods or services. Bid splitting is prohibited.

The department needing these materials or service will supply the Purchasing Department detailed specifications and an approved purchase requisition. The specifications are reviewed to ensure that the specifications are complete and in the proper form. The contract must be awarded to the lowest responsible bidder, or the District must reject all bids.

Formal bids require a public advertisement that must be published once a week for two weeks in a local newspaper.

## RISK MANAGEMENT

The Risk Management Department mitigates risk factors, investigates claims and ensures students, staff and faculty have a safe learning/working environment. The Risk Management Department also provides various training, and ensures the District's compliance with State and Government Agencies.

## WAREHOUSE

The District warehouse is responsible for general receiving and distribution of supplies, furniture and equipment. With prior approval, the District accepts donated furniture and equipment, and pick-up surplus items for disposal.

The Warehouse only accepts shipments delivered with a duly authorized purchase order or they will be returned to the vendor. C.O.D. purchases are not accepted. All packages (except for packages received from Staples) are opened, inspected for damage and checked off against the purchase order. Normally, all items are delivered to specified locations within three days. Equipment received in the warehouse valued at \$500 or more must be tagged and inventoried.

**DISPOSAL OF DISTRICT PROPERTY**

Notify the Warehouse Staff of any equipment that is no longer needed or is unusable. The Fixed Asset Reassignment or Disposal Forms are located in the Purchasing Public web page. Complete the form, obtain the required approvals and route to the Warehouse Staff for transfer of property to the District Warehouse. Equipment considered surplus must be approved by the Board of Trustees prior to disposal. Purchasing will dispose of surplus property in compliance with Education codes 81450 and 81452.

**MAILROOM**

The mailroom prepares and transfers mail to the Post Office and throughout the District. We sort incoming mail and deliver to all mailbox stops. Each department/division has a Stop number where mail is delivered. The adjunct faculty mailroom is located in the District Warehouse, from 8:00am - 4:00pm. A student mailbox is located in the Student Union Hallway for students to drop off documents to instructors. Each student is responsible for properly identifying their items. Detailed instructions are posted on the drop box. All outgoing mail will be picked up at the same time as delivery. The last mail run is at 2:30pm Monday-Friday with an expected delivery the following business day at noon. Mail drop-off boxes for outgoing mail are at the following locations:

- Administration Building breakroom.
- Student Union Hallway for Veterans Center, ASMC, Study Central, Student Health Services, Student Equity, Research Analyst and the Cafeteria
- Mailroom located in the Warehouse.

Please contact the mailroom at ext. 6217 for any mail related questions.

**PURCHASING, MAILROOM, WAREHOUSE AND RISK CONTACTS:**

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**PURCHASING**

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**RISK**

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**WAREHOUSE**

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Rosa Ruiz (6474)

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**MAILROOM**

Benicia Orosco (6217)

**COURIER**

Alejandro Ruiz