# **Policy 214: Purchasing and Procurement**

Category: Business Operations

Covered Individuals: All CEI Employees

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**214.1 Policy**

Efficient and cost-effective procurement of goods, services, and public works construction is an important aspect of local government operations. CEI will purchase goods, services, and public works construction through a publicly accountable process that respects the shared goals of economy and quality.

All purchases will be made within the terms of the approved institutional budget. Administrators and professional support staff who administer budgets within their department or program are responsible for and will be accountable to the Vice-President of Finance at CEI to ensure that purchases are made within the means of their budget.

This policy and its procedures define the roles and responsibilities of the departments as they apply to the procurement of goods and services by CEI. Staff shall prepare procedures consistent with these policies for all purchases, including but not limited to Requests for Proposal (RFP), Requests for Quotation (RFQ), Invitations to Bid and the competitive bidding process, sole source purchases, allowable and disallowed purchases, and any other procedures, which are appropriate for clarification of these policies and of the purchasing process.

All procedures shall also be consistent with Idaho Code, Sections 67-2801 et seq. To the extent that any provision is inconsistent with Idaho Code, Idaho Code shall govern.

**Conflict of Interest**

All purchases must be based on the best interests of CEI. College personnel are expected and required to take the initiative to report promptly, with sufficient detail, all activities or situations that may involve, or appear to involve, a conflict of interest. All employees involved in purchasing activities must adhere to Idaho Code § 74-401 (Ethics in Government).

**Purchases that Require Board of Trustees (Board) Approval**

The following purchases shall always require board approval prior to completing the purchase:

* All real property (exempt from bid requirements under Idaho Code § 67-2803(5)
* Any expenditures, which will cause the College to exceed the Board-approved annual budget.

Authority is hereby delegated to the Vice President of Finance and other appropriate members of staff, pursuant to Idaho Code §§ 67-2805 and 2806 to approve bids for procurement of public works construction, services, or personal property where the total amount does not exceed the Board approved annual budget or where the project is paid for exclusively by gift or grant money for a defined purpose or contracts executed and paid for with agencies, businesses or other entities external to CEI.

**214.2 Procedures**

**Purchasing Overview**

Prior to making a purchase, the requestor shall work with the department head to research the good or service, determine the cost range of the procurement, and meet defined standardization guidelines. Purchases are divided into dollar amount thresholds. For CEI, the following are the dollar threshold requirements:

Each threshold is considered by evaluating the accumulated amount spent for all CEI purchases.

* Below $2,000, a P-Card or Purchase Order is required, refer to Policy 215.
* $2,000 and above, a Purchase Order is required.
* $10,000 to $150,000, three Quotes and a Purchase Order are required. Procedures set forth in Idaho Code § 67-2806(1) will be followed.
* $150,000 and above, a Formal Sealed Bid, and a Purchase Order are required. In the case of professional services, Request for Proposals/Qualifications for Professional Services shall be used. Procedures set forth in Idaho Code § 67-2806(2) will be followed. Regardless of dollar amount, Purchase Orders are the preferred method of purchasing whenever possible and when working with federal funds.

The Board Finance Committee will evaluate and make recommendations to the Board on all real property purchases and any capital expenditures that cause general fund expenditures to exceed the approved annual budget, except for 1) gifts dedicated to specific projects that have been approved by the Board or 2) capital expenditures paid for by grants or contracts executed with agencies, businesses, or other entities external to CEI.

The Procurement Department is responsible for ensuring that policies and procedures are followed. If they determine a vendor is being used excessively, they may refuse or limit purchases with the vendor or require multiple quotes.

**Information Technology Purchases**

Regardless of the amount, all information technology (IT) purchases must be pre-authorized by the Chief Information Officer (CIO) or the Vice President. The Procurement Department is responsible for ensuring that policies and procedures are followed. If they determine a vendor is being used excessively, they may refuse or limit purchases with the vendor or require multiple quotes.

* IT purchases requiring pre-approval include a broad range of items, including but not limited to:
  + - Computers, tablets, and laptops
    - Printers and scanners
    - Software, software licenses, or software subscriptions
  + Third-party tools, including web-based software and applications account set up requiring personal information
    - Computer firmware
    - Monitors
    - Televisions, projectors, cameras, and any other audio/video equipment
    - Backup systems
    - Server hardware and networking equipment
    - Telephones
    - Any other device capable of connecting to CEI’s network system.
* Exceptions to the above policy are peripheral devices, which are items that help enhance the basic functionality of your computer and are usually connected through a USB port. Peripheral devices include:
  + - Keyboards
    - Mouse
    - Speakers
    - Microphones that connect via USB port only
    - Cameras that connect and function via USB port only

**Emergency Purchases**

The policies governing purchasing procedures for the college system and its institutions shall be waived upon the Board of Trustees' declaration of an emergency, pursuant to Idaho Code § 67-2808. The nature of the emergency and determination that the circumstances justified waiver of purchasing procedures shall be documented in writing.