

GRAYS HARBOR COLLEGE
Administrative Procedure

Subject: PROCUREMENT OF GOODS AND SERVICES

Administrative Procedure Number: 507.02

Date Adopted: 5/28/2024

Grays Harbor College will follow RCW 39.26 and applicable Department of Enterprise Services (DES) regulations in the procurement of goods and services. In addition, the College will follow the internal processes and procedures below in the procurement of goods and services. DES Washington State Procurement Manual is incorporated into GHC procurement processes and procedures as applicable. <https://des.wa.gov/purchase/washington-state-procurement-manual>

REQUISITIONS

Requests to purchase materials, equipment, and service; make supplier payments; and place purchase card orders are created on a requisition in PeopleSoft by authorized users and submitted for approval(s).

See Administrative Procedure 501.02 2a.-Delegation of Authority for approval authority and Requisition Approvals section below.

GOODS AND SERVICES PROCUREMENT PROCESS

- 1) Employee creates a requisition and submits it for approval.
- 2) Purchase Order (PO) is issued and order is placed by the Purchasing Office
- 3) Items/services are received and receipts are created by the Receiving Department.
- 4) Payment is made to the supplier by Accounts Payable after receipts and invoices are matched.

REQUISITIONS FOR INVOICE PAYMENTS, DEPOSITS, AND PRE-PAYMENTS

If invoices need to be paid and the above Goods and Services Procurement Process was not followed, a signed and dated invoice by someone other than the person that created the requisition must be uploaded to the requisition as confirmation of items or services received.

Exceptions to the signed invoice requirement include dues, fees, registrations, postage, travel, and subscriptions.

Any invoices that arrive after a requisition has been processed, shall be submitted to Accounts Payable.

State of Washington Payment Terms: If the purchase document or contract doesn't specify payment terms or there is no written authorizing document, the terms are net 30 days. The 30 days, or other terms, begin upon receipt of the goods or services, or a properly completed invoice, whichever is later.

State of Washington law states "goods and services generally must be received prior to payment."

Grays Harbor College is allowed to make "prepayments" for equipment maintenance services (up to 60 months in advance), subscriptions (up to 36 months in advance), postage, books, periodicals, and travel related expenses.

REQUISITIONS FOR PURCHASING CARD ORDERS

A requisition must be processed and approved before placing purchasing card orders.

See Administrative Procedure 507.01-Purchasing Cards and the Purchasing intranet page for more information. <https://intranet.ghc.edu/departments/purchasing>

RECURRING REQUISITIONS

Recurring requisitions are created when multiple payments throughout the fiscal year will be made to one supplier.

REQUISITION APPROVALS

Technology Requisitions

Technology requisitions will be routed to the Associate Vice President of Information Technology for purchase approval.

Furniture Requisitions

Furniture requisitions will be routed to the Assistant Vice President of Campus Operations for purchase approval.

Grant Funded Requisitions

Grant funded (145) requisitions will be routed to the requisite Grants Program Manager for purchase approval.

DIRECT BUY

Purchases under \$10,000 are considered direct buy according to Department of Enterprise Services.

Purchases under \$30,000 are considered direct buy according to Department of Enterprise Services, if a State of Washington contract is not available.

Purchases under \$40,000 are considered direct buy according to Department of Enterprise Services, if the purchase is being made from a small business as defined by RCW 39.26.010(22); or from a certified veteran-owned business.

INFORMAL AND FORMAL SOLICITATIONS

Informal solicitations are required if the purchase is expected to be above the direct buy limit and under \$100,000. The informal solicitation process may take anywhere from three (3) to fourteen (14) days.

Formal solicitations are required if the purchase is expected to be \$100,000 or more.

The formal solicitation process may take from four (4) weeks to twelve (12) weeks depending on the complexity of the project and requirements.

The GHC Purchasing Office manages formal and complex solicitations to ensure required language and terms are conveyed to suppliers and State of Washington requirements are met.

The informal or formal competitive process is utilized for one (1) time purchases of like items or services or when like items or services during a fiscal year exceed the direct buy limits.

Exemptions to the informal and formal solicitation process include client service purchases, purchases entered into from another agency's solicitation process and contract, sole source purchases, emergency purchases, intergovernmental agreements, education curriculum purchases, utility purchases, professional

development, memberships, conference fees, travel, professional publication purchases, and purchases under the direct buy limits.

CLIENT SERVICES PURCHASES

Client services are provided directly to clients (students). Client Service purchases are exempt from competitive solicitation requirements. Contracts may be competitively solicited when it is in the best interests of the college.

SOLE SOURCE PURCHASES

This section only applies if the purchase exceeds the direct buy limit and is not exempt from competition.

“Sole Source” means a contractor is providing goods or services of such a unique nature or sole availability at the location required that the contractor is clearly and justifiably the only practicable source to provide the goods or services.

Sole source purchases must be internally or externally justified depending on the source of funds.

Sole source purchases in which the total costs of the contract and amendments include 50% or more of state source funds must be filed with the Department of Enterprise Services. The sole source process may take four (4) weeks or more to complete. DES must approve sole source contracts before services may be performed or items purchased.

Sole source purchases in which the total costs of the contracts and amendments include more than 50% of non-state source funds must be internally justified.

EMERGENCY PURCHASES

Emergency purchases below the direct buy limit and exempt from competition will follow the goods and services procurement process. However, the president through written authorization, may waive the goods and services procurement process for emergency purchases below the direct buy limit and exempt from competition,

Emergency purchases exceeding the direct buy limit and not exempt from competition must be justified and reported to the Department of Enterprise Services.

The President must submit written notification to the Department of Enterprise Services Director of an emergency purchase within three (3) business days of the purchase. The Purchasing Office must report emergency procurements to the Department of Enterprise Services within three (3) business days of purchase initiation.

An “emergency” means a set of unforeseen circumstances beyond the control of the agency that either presents a real, immediate threat to the proper performance of essential state functions or that may result in material loss or damage to property, bodily injury, or loss of life, if immediate action is not taken.

USED EQUIPMENT, FURNITURE, VEHICLES, AND MATERIALS

This section only applies if the purchase exceeds the direct buy limit and is not exempt from competition.

Requisitions for the purchase of “used” equipment must include a completed “Used Equipment, Furniture, Vehicles, and Materials” form. Conduct two (2) other independent assessments of market value, or comparative used pricing. Upload the three (3) documents to the requisition.

PRINTING, BINDING, AND STATIONARY

Grays Harbor College shall consult with the Department of Enterprise Services prior to issuing a proposal for printing and binding projects of \$10,000 or more.

Grays Harbor College shall purchase printing, binding, and stationery work within Washington for projects of \$10,000 or more when a proposal is issued, unless the scope of work cannot be completed within Washington or pricing is more cost-effective purchasing from a vendor outside of Washington.

PREVAILING WAGE

Construction, reconstruction, maintenance, or repairs are subject to prevailing wage requirements WAC 296-127.

CHANGE ORDERS

Changes made to requisitions prior to a PO being processed will be rerouted for approvals if applicable. If a PO is created from a requisition, the Purchasing Office will make changes to the PO. The PO will be rerouted for approvals if applicable.

REQUIREMENTS FOR EMPLOYEES ENGAGED IN PROCUREMENT

Training

All employees responsible for developing, executing, and managing procurements and/or contracts must complete required training as specified in RCW 39.26.110.

Training must be completed within 90 days of employment or obtaining procurement and/or contract job duties.

CONTRACT LANGUAGE

All goods and services contracts must contain the following Nondiscrimination language.

- a. Nondiscrimination Requirement. During the term of this Contract, Contractor, including any subcontractor, shall not discriminate on the basis enumerated at RCW 49.60.530(3). In addition, Contractor, including any subcontractor, shall give written notice of this nondiscrimination requirement to any labor organizations with which Contractor, or subcontractor, has a collective bargaining or other agreement.
- b. Obligation to Cooperate. Contractor, including any subcontractor, shall cooperate and comply with any Washington state agency investigation regarding any allegation that Contractor, including any subcontractor, has engaged in discrimination prohibited by this Contract pursuant to RCW 49.60.530(3).
- c. Default. Notwithstanding any provision to the contrary, the College may suspend Contractor, including any subcontractor, upon notice of a failure to participate and cooperate with any state agency investigation into alleged discrimination prohibited by this Contract, pursuant to RCW 49.60.530(3). Any such suspension will remain in place until the College receives notification that Contractor, including any subcontractor, is cooperating with the investigating state agency. In the event Contractor, or subcontractor, is determined to have engaged in discrimination identified at RCW 49.60.530(3), the College may terminate this Contract in whole or in part, and Contractor, subcontractor, or both, may be referred for debarment as provided in RCW 39.26.200. Contractor or subcontractor may be given a reasonable time in which to cure this noncompliance, including implementing conditions consistent with any court-ordered injunctive relief or settlement agreement.
- d. Remedies for Breach. Notwithstanding any provision to the contrary, in the event of Contract termination or suspension for engaging in discrimination, Contractor, subcontractor, or both, shall be

liable for contract damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, which damages are distinct from any penalties imposed under Chapter 49.60, RCW. The College shall have the right to deduct from any monies due to Contractor or subcontractor, or that thereafter become due, an amount for damages Contractor or subcontractor will owe the College for default under this provision.

CONTRACT REPORTING

The GHC Purchasing Office is required to annually report all goods and services contracts to the Department of Enterprise Services.

See Administrative Procedure 501.04-Contract Reporting for further information.

SUPPLIER DIVERSITY

Grays Harbor College recognizes the importance of providing goods and services procurement opportunities to small, diverse, and veteran-owned businesses. Grays Harbor College is dedicated to ensuring small, diverse, and veteran-owned businesses are given maximum practicable opportunity to directly and meaningfully participate in procurement opportunities and that access is fair and equitable.

See Administrative Procedure 507.03-Supplier Diversity Outreach for further information.

ETHICS IN PUBLIC SERVICE

RCW 42.52-Ethics in Public Service

(1)(a) A state officer or employee of an agency who seeks to acquire goods or services or who participates in those contractual matters is subject to the requirements in RCW 42.52.150.

(b) A contractor who contracts with an agency to perform services related to the acquisition of goods and services for or on behalf of the state is subject to the requirements in RCW 42.52.150.

(2) No person or entity who seeks or may seek a contract with a state agency may give, loan, transfer, or deliver to any person something of economic value for which receipt of such item would cause a state officer or employee to be in a violation of RCW 42.52.040, 42.52.110, 42.52.120, 42.52.140, or 42.52.150.