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Chapter: Fiscal and Administrative Affairs

Modification No. 064

Subject: Procurement

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I. General

A. Responsibility

The responsibility for meeting the procurement requirements of the College is delegated to the President.

B. Awarding Authority

1. Contracts exceeding \$50,000, effective December 10, 2001; exceeding \$75,000, effective September 2002; and exceeding \$100,000, effective September 2003; and that are a result of competitive sealed bidding, or where the contract modification will increase these contract values, shall be approved by the Board of Trustees, or as provided elsewhere in this policy or other applicable policies.
2. Contracts that are a result of competitive sealed bidding, and are for \$50,000 or less, shall be approved by the President, or designee, effective December 10, 2001; up to \$75,000, effective September 2002; and up to \$100,000, effective September 2003, in accordance with procedures approved by the President. The President, or designee, will submit to the Board a report of contracts awarded in accordance with this policy, in January and July of each year, for the College to assess the effectiveness of the policy modification.
3. Contracts that are the result of competitive proposals, sole source procurements, or emergency procurements, and do not qualify as a "small procurement" as defined in State of Maryland procurement regulations, shall be awarded by the Board of Trustees.

C. Compliance

1. The Procurement Office shall comply with all applicable laws, regulations, and the policies of the Board of Trustees.
2. Except as otherwise provided, a contract which is entered into in violation of Board of Trustees policies or College procedures is void, unless it is determined, upon review, that good faith has been shown by all parties, and that there has been substantial compliance with these policies and procedures. (If a contract is void, any contractor who entered the agreement in good faith and without knowledge of any violation or contribution to any violation prior to award shall be compensated for actual costs incurred.)

D. Exceptions

These policies do not apply to:

1. Purchases of print and non-print library and learning resource material.
2. Merchandise purchased for re-sale.
3. Any awards made through contracts issued or purchases made by a public entity or state or local government for the College under procedures authorized by the Montgomery County Charter or state law shall be made by the President, or designee. The College will determine in each instance:
  - a. That the public entity has complied substantially with the formal competitive bidding requirements of the Annotated Code of Maryland, Section 16-408; and
  - b. That the terms and conditions of the agreement are consistent with the needs of the College.
4. Emergency Repairs.
5. Contracts governed by other applicable Board policies.

II. Methods of Procurement

A. Competitive Sealed Bidding

Contracts that do not qualify as "Small Procurements" shall be awarded by competitive sealed bidding unless the Director of Procurement determines that:

1. Specifications cannot be prepared that permit an award on the basis of lowest bid price or lowest evaluated bid price; or
2. The price of any service or supply required is regulated by the Public Service Commission; or
3. There is only one available source; or
4. There is an unanticipated emergency which leaves insufficient time to use this method; or
5. There is some other reason in the best interest of the College to use one of the other authorized methods.

B. Competitive Sealed Proposals

Competitive sealed proposals may be used if:

1. The procurement is for educational or consultant services;
2. The procurement is for any building, improvement, equipment, or supplies and the Director of Procurement determines that specifications cannot be prepared that allow an award based on the lowest bid price, the lowest evaluated bid price, or the bid most favorable to the College; or
3. The Director of Procurement determines that:
  - a. The need to use a method other than competitive sealed bids is sufficiently compelling to override the general public policy that favors awarding procurement contracts on the basis of competitive sealed bids; and
  - b. The use of competitive sealed bidding for that procurement contract is not practicable or not advantageous to the College.
4. The Board of Trustees shall award a procurement contract based on the use of competitive sealed proposals, after obtaining any approval required by law, to the responsible offeror who submits the proposal or best and final offer determined to be the most advantageous to the College considering the evaluation factors set forth in the request for proposals.

C. Sole Source Procurement Contracts

If the President, or designee, determines that there is only one available source for the subject of a procurement contract, a procurement contract may be awarded without competition to that source. Any sole source procurement that does not qualify as a "Small Procurement" shall be awarded by the Board of Trustees.

D. Emergency Procurements

1. For purposes of this section an emergency shall be defined as a sudden and unexpected occurrence or condition which could not reasonably be foreseen and which poses an actual and immediate threat to continuance of normal operation of the College.
2. If the President deems an emergency exists which necessitates the purchase of services, materials, equipment, or supplies that does not qualify as a "Small Procurement" prior to the next regularly scheduled meeting of the Board of Trustees, the President, or designee, shall notify the chairman, or in his/her absence, the vice chairman of the Board of the emergency situation.
3. If the chairman or vice-chairman determines that a special meeting is not feasible, the President or designee shall communicate with each member of the Board of Trustees who can be reached and a telephone vote shall be taken and recorded.

4. If a majority of the Board members contacted approve the proposed purchase, then the President shall be authorized to take whatever action is necessary to accomplish such purchase, including the execution of a contract.
5. The Board of Trustees shall announce any such action at the next regularly scheduled meeting, and a summary of the action taken, including the vote of each member, shall be recorded in the official minutes.

E. Cooperative Purchasing

The Director of Procurement shall have the authority to join other units of state and local government in cooperative purchasing plans when the best interests of the College would be served, in order to take advantage of maximum volume discounts.

F. Interagency Procurement

The Director of Procurement shall have the authority to contract for goods and services with a Maryland State or local agency, political subdivision of the state or school in the state when the best interests of the College would be served thereby.

III. Public Notice

The Director of Procurement shall advertise for formal bids or requests for proposals in at least one newspaper published in the County no less than fourteen days before bids or proposals are to be filed.

IV. Multi-Year Contracts

The College may enter into multi-year contracts for goods and services and the President or designee shall provide for the review and approval of the terms that extend beyond the current fiscal year.

V. Prohibited Contract

The College shall not enter into a contract where any part of the compensation is based on a cost-plus-a-percentage-of-cost of the work performed or goods provided.

VI. Irrevocability and Withdrawal of Offers

Bids, proposals and best and final offers are irrevocable for the period specified in the request for bids, request for proposals or request for best and final offers except the President or designee, upon recommendation from the Director of Procurement, may permit the withdrawal of a bid, proposal or best and final offer.

VII. Bid and Contract Security

The Director of Procurement or Chief Facilities Officer is authorized to require a bid or

performance bond if the circumstances warrant. This bond shall be provided by a surety company authorized to do business in the State of Maryland, or the equivalent in cash, or in a form satisfactory to the President. No bid, performance or payment bond may be required for contracts less than the minimum set by state law, unless required by federal law.

VIII. Minority Business Utilization Program

A. The Director of Procurement shall establish a minority business utilization program to facilitate the participation of responsible certified minority business enterprises in contracts awarded by the President or designee or the Board of Trustees in accordance with competitive bidding requirements, with the result that minority businesses receive a fair share of College contracts. Nothing shall be construed as authorizing awards that are fiscally disadvantageous to the College, or that confer any special privilege or status upon any minority business or group or individual representing a minority business.

B. Definitions

For the purpose of this policy, the definitions of "minority business enterprise" and "minority individual" shall be those as stated in Sections II-148 (a), (3) and (4) of the State Finance and Procurement Article of the Annotated Code of Maryland.

IX. Resolution of Protests and Disputes

The Director of Procurement may, consistent with the budget and all applicable laws, regulations, and Board policies, negotiate and resolve protests and disputes relating to the formation of a procurement contract with the College. The Director shall inform the President of controversies involving the formation of contracts that do not qualify as "Small Procurements." Protests may be addressed to the Board only through the President.

X. Preference for Montgomery County Products

In purchasing goods and services for the College, the Director of Procurement shall encourage participation in the bidding process from Montgomery County-based firms, and shall give preference to these firms whenever such purchases would not be disadvantageous to the College.

Board Approval: November 19, 1984; June 16, 1986; July 20, 1987; May 16, 1988; July 17, 1989, effective July 1, 1989; October 16, 1989; June 18, 1990; December 16, 1991; November 15, 1993; February 26, 1996; June 17, 1996; June 15, 1998; December 10, 2001; May 15, 2006.

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Chapter: Fiscal and Administrative Affairs

Modification No. 056

Subject: Procurement

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I. General

- A. The responsibility for meeting the procurement requirements of the College has been delegated by the President to the Director of Procurement.
  
- B. The Director of Procurement shall conduct all transactions in an open, competitive manner, and shall establish necessary controls and internal procedures consistent with acceptable standard practice to promote an efficient procurement function in compliance with the provisions of applicable federal, state and local laws and Board policies. The following Code of Ethics shall govern procurement transactions [based upon the Code of Ethics adopted by the National Association of Educational Buyers of which the College is a member]:
  - 1. To give first consideration to the objectives and policies of Montgomery Community College.
  - 2. To strive to obtain the maximum ultimate value of each dollar of expenditure.
  - 3. To cooperate with trade and industrial associations, and governmental and private agencies engaged in the promotion and development of sound business methods.
  - 4. To demand honesty in sales representation whether offered through the medium of an oral or written statement, an advertisement, or a sample of the product.
  - 5. To decline personal gifts or gratuities from any present or would-be supplier.
  - 6. To grant all competitive bidders equal consideration; to regard each transaction on its own merits; and to foster and promote fair, ethical and legal trade practices.
  - 7. To use for competitive purchasing purposes, only with consent, original ideas and designs devised by one vendor.
  - 8. To accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.
  - 9. To avoid outside interests that would create a conflict of interest.

C. Market Conditions

1. The Director of Procurement shall keep informed of current developments in the field of purchasing, prices, market conditions and new products.
2. The Director of Procurement shall maintain files of vendor catalogs and other current market information regarding goods and services to be made available to faculty and staff of the College.
3. The Director of Procurement shall maintain a qualified bidders list of vendors by commodity and shall review said list periodically to encourage an open and competitive environment to the extent possible.

D. Exceptions

1. Purchases of print and non-print library and learning resource material are noncompetitive items, available from a single source, and will be processed through Information Technology Learning Centers.
2. While merchandise purchased for resale is exempt from these policies, the Procurement Office may assist and advise limits to obtain the best fiscal advantage.
3. When it is determined to be in the best interest of the College, the Director of Procurement may utilize the procurement facilities of state or local government units. Unless otherwise directed, awards for procurements through other agencies shall be awarded by the President.
  - a. The Director of Procurement shall review the terms and conditions issued by such public facilities for consistency with College requirements.
  - b. The Director of Procurement shall submit an annual report to the President which summarizes all such purchases for the preceding fiscal year.
4. When purchasing furniture and equipment for state-supported capital projects, the furniture and equipment list shall be submitted to the Board of Public Works for approval. The College shall purchase those items identified by State Use Industries (SUI) that it can provide without competition.

II. Methods of Procurement

A. Requisitions

1. Central Stores Requisition

The Director of Procurement shall maintain an inventory of standard supplies carried for use in the College. The Executive Vice President for Administrative and Fiscal Services shall approve funding levels for this inventory, and the Director shall establish adequate and necessary

controls for efficient management. Items shall be published in a Central Stores catalog and store items may be requested by users on a Central Stores requisition form.

2. General Requisition

- a. The Director of Procurement will issue a requisition form to be used by College personnel to communicate goods and services needs to the Procurement Office.
- b. The Director of Procurement will provide information regarding adequate lead time for processing, assistance in product choice, and necessary guidelines.
- c. The Director of Procurement will assist in the development of open, non-restrictive specifications to allow for maximum competition, meeting the best interests of the College.
- d. No requisition or purchase shall be subdivided to avoid the intent of formal bid procedure.
- e. Requests for furniture and equipment will be subject to criteria established in the budgeting process.
- f. Requests for specific brand, sole source, or emergency procurements expected to exceed \$2,500 shall be accompanied by a completed, signed request form, to be forwarded to the Director of Procurement with the requisition.

B. Competitive Sealed Bid Procedures

1. Except as noted otherwise in these procedures, all purchases of more than \$25,000 for one item or a group of related items shall be awarded by competitive sealed bids.
2. Specifications will be submitted for review by the Director of Procurement to the requester and the requester's immediate supervisor. The date, time and place of the bid opening will be clearly marked on all requests for bids. If a specific brand or patented goods or services are required by the College, and which are obtainable in two or more equally competitive brands, the Director shall list such acceptable brands and shall include the phrase "or equal" to invite alternate bids. It shall be incumbent upon the vendor to demonstrate satisfaction to the College that such alternates are equal to those listed in the request for bids.
3. Criteria for award will be stated in the specifications.
4. No less than 14 days will be allowed between the official advertising date and the date designated for public opening of the bids. The length of time beyond 14 days will be dependent upon the nature of the bid.
5. Selection of vendors from the bidders list will encourage the broadest competition as practical for the procurement.

6. Should it become necessary to issue an addendum prior to the bid opening, the Director of Procurement will determine whether an extension should be granted. Care will be taken to ensure fair and equal treatment of all vendors during the bid process.
7. After bids are opened, evaluation by appropriate staff will determine the lowest responsible bidder meeting all specifications. The Director of Procurement will forward an analysis of the award to the Executive Vice President for Administrative and Fiscal Services for all items that will be forwarded to the Board of Trustees.
8. In the instance of tie bids which are identical in price, terms and conditions, and which meet all requirements and evaluation criteria listed in bid specifications, the tie shall be resolved by award to:
  - a. The in-county bidder rather than in-state bidder.
  - b. The in-state bidder rather than out-of-state bidder.
  - c. The minority vendor rather than the majority vendor. If more than one minority vendor is involved, refer to procedure 8.d. below.
  - d. All other tie bids shall be resolved by a toss of a coin.

A record of all tie bids shall be made and forwarded to the General Counsel of the College.

9. If there is a reasonable basis for believing that collusion has occurred among any persons for any reason, the Director of Procurement shall send a written notice to the General Counsel. All pertaining documents shall be retained for the record.
10. As provided in Board policy, the President is authorized to award contracts that are a result of competitive bid of \$50,000 or less, and has delegated this authority to the Director of Procurement.
11. The President will submit to the Board in July and January a report of awards as stated above.
12. The Board of Trustees must award contracts greater than \$50,000 and when a contract is being modified and the modification will increase the contract value above \$50,000.

C. Competitive Sealed Proposals

Competitive sealed proposals will be sought in accordance with Board policy.

1. A request for proposals shall include a statement of:
  - a. The scope of the procurement contract;

- b. The results to be achieved or services to be provided;
  - c. The factors, including price, that will be used in evaluating proposals; and
  - d. The relative importance of each factor.
2. A request for proposals shall be published in the same manner as required for an invitation for bids.
3. After receipt of proposals, but before the procurement contract is awarded, the Director of Procurement may conduct discussions with an offeror to:
- a. Obtain the best price for the College; and
  - b. Ensure full understanding of:
    - (1) the requirements of the College as set forth in the request for proposals; and
    - (2) the proposal submitted by the offeror.
4. If discussions are conducted, the Director of Procurement:
- a. Shall conduct the discussions in accordance with policies adopted by the Board of Trustees;
  - b. Shall provide an opportunity to participate to each responsible offeror who submits a proposal that, in the judgment of the Director, is reasonably susceptible of being selected for award;
  - c. Shall treat all of the responsible offerors fairly and equally;
  - d. May allow all of the responsible offerors to revise their initial proposals by submitting best and final offers, if discussions indicate that it would be in the best interest of the College to do so;
  - e. May conduct more than one series of discussions and requests for best and final offers; and
  - f. May not disclose to an offeror any information derived from a proposal or discussions with a competing offeror.
5. As provided in Board policy, contracts that are the result of competitive sealed proposals and do not qualify as "Small Procurements" shall be awarded by the Board of Trustees.

D. Irrevocability and Withdrawal of Offers

Bids, proposals and best and final offers are irrevocable for the period specified

in the request for bids, request for proposals or request for best and final offers except the President, or designee, upon recommendation from the Director of Procurement, may permit the withdrawal of a bid, proposal or best and final offer.

E. Small Procurement Procedures (Informal Bidding)

1. Purchases of \$10,000 but less than \$25,000 shall be awarded through an informal bid process.
  - a. Specifications shall be developed and written, and competitive price quotations shall be solicited from at least three vendors if possible.
  - b. Public notice of requests for bids may be placed at the discretion of the Director of Procurement.
  - c. The Director of Procurement shall evaluate all bids received and make the award on the basis of the lowest responsible bidder meeting requirements of the College.
2. Purchases of more than \$2,500 but less than \$10,000 shall be procured competitively with at least three quotations if possible.
3. Purchases of \$2,500 or less shall be made on the open market in the best interest of the College.
4. Authority to place orders of less than \$1,000 per vendor, per day, may be designated to individual budget managers by the Director of Procurement. In all cases, purchases shall be made in the best interest of the College.
5. The Director of Procurement, or designee, shall award contracts as a result of the small procurement procedures.

F. Sole Source

Sole source procurement is authorized if, in the opinion of the Director of Procurement, the requirements of the College can be satisfied by only a single vendor.

1. Any request that a procurement be restricted to a single vendor shall be accompanied by an acceptable explanation as to why no other shall be suitable or acceptable to meet the need.
2. The Director of Procurement shall conduct negotiations as to price, terms and delivery, as appropriate.
3. Contracts that are the result of a sole source procurement that do not qualify as a "Small Procurement" shall be approved by the Board of Trustees.

G. Multi-Year Contracts

1. Contracts which are multi-year in nature shall be reviewed by the Director of Procurement by the following criteria:
  - a. Estimated requirements cover the period of the contract and are reasonably firm and continuing; and
  - b. The contract serves the best interest of the College fiscally and administratively.
2. Payment and performance beyond the current fiscal year are subject to approval and appropriation of adequate funding.
3. All multi-year procurement contracts shall contain a notice that they are subject to termination upon failure of the Board of Trustees to approve funding for the future performance and obligation of the contract.

H. Prohibited Contract

No contract shall be awarded where any part of the compensation is based on a cost-plus-a-percentage-of-cost of the work performed or goods provided. This should not be construed to mean cost-plus-fixed-fee and cost-plus-incentive-fee are not allowed.

I. Release of Information

Release of information concerning procurement matters will be in accordance with applicable law and College policy and procedures.

III. Emergency Procurements

- A. In the event of an emergency involving the expenditure of over \$25,000, the Director of Procurement, with the approval of the Executive Vice President for Administrative and Fiscal Services, may enter into non-competitive negotiation for the immediate procurement of goods or services necessitated by the emergency.
  1. Such competition as is practical shall be obtained.
  2. The Director of Procurement shall forward to the President justification for the emergency request.
- B. In the event of an emergency involving an expenditure under \$25,000, the Director of Procurement may award a contract through non-competitive negotiation, obtaining such competition as is practical.
- C. The Director of Procurement will submit an annual report to the President which summarizes the procurements of an emergency nature.

IV. Cancellation and Rejection of Invitations for Bids or Requests for Proposals

- A. Every solicitation issued shall state that the solicitation may be cancelled when it is in the best interest of the College to do so.
  - 1. Cancellation prior to opening. If the Director of Procurement determines that it is in the best interests of the College to cancel a solicitation prior to opening bids or proposals, all bids or proposals received shall be returned to the vendors and a notice of cancellation shall be included. Criteria for determination may include, but not be limited to:
    - a. Restriction of funding for project.
    - b. Imperfection in bid document.
    - c. Defective notice of advertisement.
  - 2. Rejection of all bids or proposals. If after opening bids, but prior to award, the Director of Procurement determines that it is in the best interest of the College to reject all bids or proposals, all open bids or proposals shall be retained and a notice of rejection shall be sent to all vendors that submitted bids or proposals. Criteria for rejection may include but not be limited to:
    - a. All bids exceed budgeted funds.
    - b. Imperfection in bid document discovered after public opening.
    - c. Defective notice after opening which would prove injurious to bidders.
  - 3. Determinations of reasons for cancellation or rejection shall be made part of the procurement file.
  - 4. The Director of Procurement shall issue a report to the President of all bids or proposals canceled or rejected over \$25,000, with justification for such action as it occurs.
  - 5. The Director of Procurement shall have the right to waive any minor technicality or deficiency when it would be an advantage to the College.
- B. Every solicitation issued by the College shall provide that any bid or proposal may be rejected in whole or in part when it is in the best interest of the College to do so.
- C. Competitive sealed proposals and/or competitive sealed bids rejected in whole and that do not qualify as "Small Procurements" shall be approved by the Board of Trustees.

V. Bid and Contract Security

- A. When a contract is expected to exceed \$25,000, the Director of Procurement and the Chief Facilities Officer (for construction contracts) are authorized to

require submission of security for bid, performance and payment bonds.

- B. Bid Security. In contracts in excess of \$25,000, the College may require submission of bid security in an amount equal to at least five percent of the total amount bid at the time the bid is submitted. If bid security fails to accompany the bid, it shall be deemed unresponsive, unless the Director of Procurement deems the failure to be non-substantial.
- C. Performance and Payment Bond. Performance and payment bonds are required in all construction contracts in excess of \$25,000 and may be required in all other contracts in excess of \$25,000. Performance and payment bonds shall be in the amount equal to at least 100 percent of the contract price. Payment bond requirements may be reduced to 50 percent prior to solicitation, if it is determined to be in the best interest of the College to do so.

VI. Cooperative Purchasing

- A. When it is determined by the Director of Procurement that cooperative purchasing efforts may result in a fiscal advantage to the College, the Director is authorized by the President to enter into a cooperative plan with other state and local agencies for the purpose of developing specifications, terms, and conditions.
- B. The Director of Procurement may bid the cooperative agreement for participating agencies and make available certain facilities necessary to form a contract if an award results from the process.
- C. Under no circumstances shall the College assume any obligation for performance, payment or other duty implied nor shall it be construed that the College may be held accountable for any agency participating in the cooperative effort.
- D. All purchases under such contracts shall be in accordance with policies approved by the Board of Trustees.

VII. Interagency Procurement

- A. The Director of Procurement may procure goods and services from state and local agencies whenever it is advantageous for the College to do so and such goods and services meet all requirements of the College. An example of such agencies are, but not limited to:
  - 1. Maryland State Agency for Surplus Property
  - 2. Montgomery County Public School Warehouse
- B. The Director of Procurement shall determine that price, quality, and availability are satisfactory and competitive and shall establish necessary controls for fiscal responsibility. Under no circumstance will budgetary constraints be waived when purchasing from another governmental agency.

VIII. Procurement from Minority Businesses

- A. The Director of Procurement shall encourage by all reasonable and practical

means the participation of minority and disadvantaged businesses in the procurement process of the College.

1. Minority vendor certification lists shall be maintained in the Procurement Office and shall be updated periodically. These lists will be assembled by the state or a local government agency with resources devoted to the purpose of certifying businesses as minority enterprises.
  2. Certified minority vendors will be solicited for quotes, bids and proposals whenever minority vendors are known and available. If none are known, other entities will be canvassed in an effort to assure Minority, Female, and Disabled (MFD) participation.
  3. Vendors shall be encouraged to identify themselves to the College as minority or disadvantaged entities.
  4. The Director of Procurement shall create, seek out, and participate in activities which encourage, stimulate and assist minority businesses in the procurement process at the College. These efforts may be within the College or cooperative efforts with other state and local agencies.
- B. The Director of Procurement shall attempt to achieve the target of minority business participation of 15 percent of the total dollars awarded through the procurement process.
- C. The Director of Procurement shall report to the President annually the total number and value of the College's purchases from minority business enterprises, and the percentage which these purchases represent of the total dollars expended during the fiscal year.

IX. Resolution of Protests and Disputes

- A. An interested party (actual or prospective bidder, offeror, or contractor) may protest to the Director of Procurement an award or proposed award of a contract for supplies, services, maintenance, or construction.
1. The protest shall be in writing and addressed to the Director of Procurement of the College.
  2. Protests must be filed with the Director within ten (10) days of the announcement of award or intent of award, whichever comes first.
- B. The Director shall inform the President and General Counsel upon receipt of the protest.
- C. The Director shall comply with all applicable federal, state and local laws regarding requests for information and timely decision.
- D. The Director shall confer with the General Counsel and the President prior to issuance of a decision regarding disputes of contracts or awards in excess of \$25,000.

- E. Decisions shall be transmitted to interested parties within 30 days of filing of written protest by certified mail, return receipt requested, or by any method that provides evidence of receipt.

X. Preference for Montgomery County Products

- A. The Director shall solicit bids or proposals from Montgomery County-based firms whenever it is reasonable and practical, and is deemed to be in the best interests of the College to do so.
- B. Vendors shall be asked to indicate location of principal place of business on the bidder's application form as a means of identifying such county-based firms.

XI. Equipment Maintenance

A. Receipt of Equipment

- 1. The Director shall maintain a central receiving facility for receipt of all goods delivered to the College and shall conduct the following:
  - a. Receipt of goods ordered on a bona fide College contract;
  - b. Inspection and acceptance of said goods;
  - c. Permanent identification of equipment as College property, when appropriate, entry onto inventory record, and
  - d. Re-delivery to requesting unit.
- 2. The Director may opt for direct delivery to the requesting unit when re-delivery is impractical. In such case, the required procedures for receipt will occur on site.

B. Property Control

- 1. When the determination is made that a piece of furniture, a machine, apparatus, or a set of articles meets the criteria as equipment, the Director of Procurement shall cause permanent identification as College property to be affixed, either by MC tag, engraving or other approved method.
- 2. The Director shall maintain a record of current College assets and shall include standard accounting information such as MC identification number, description and location of asset, acquisition cost, purchase order number and year acquired. Other information may be included if it is determined to contribute to the efficient management of the asset.
- 3. The Director shall establish internal accounting controls that maximize the efficient utilization, safety and ready access to the property for College purposes.

- a. If equipment is to be moved on campus, a Change of Status Report Form (MC-350-PRO-1A/B-4A/B) must be completed within 14 days.
  - b. If equipment is to be taken off campus, a Property Authorization Card Form (MC 7.483b3) must be completed and authorized prior to removal. Campus Security shall be notified.
  - c. If equipment is declared surplus to needs, a Change in Status of Property Form (MC-350-PRO-5A/B-6A/6B) shall be completed.
  - d. If equipment is lost/stolen, a Property Loss Form (MC 7.376) shall be completed immediately and Campus Security shall be notified at the time the loss is discovered.
4. The Director shall complete a physical inventory of at least one campus every year on a rotational basis.
- a. Prior to the inventory, in coordination with appropriate campus administrators, a schedule of activity will be developed.
  - b. Equipment shall not be moved during the physical phase of the inventory.
  - c. Spot checks will be held on the other two campuses.
  - d. The Director shall submit a report annually to the President regarding the status of the College assets.
- C. Disposal of Surplus Property
1. The Director of Procurement shall notify the President of intent to dispose of surplus property whenever expectations are that more than \$25,000 will be realized from such disposal.
    - a. Public notice shall appear at least 14 days prior to disposal.
    - b. The Executive Vice President for Administrative and Fiscal Services shall approve the disposal method recommended by the Director of Procurement.
    - c. If formal bids are sought, the procedures approved for formal bids shall be followed.
    - d. After bids are opened, the analysis shall be forwarded to the President for recommendation to the Board for approval.
  2. The Director of Procurement shall authorize disposal of surplus property whenever expectations are that less than \$25,000 will be realized from such disposal. The method of disposal will be in the best interests of the College.

3. The Director of Procurement shall submit in an annual report to the President the total number and description of items sold as surplus and the dollar amount realized by the College.

Administrative Approval: November 20, 1984; April 23, 1985; June 16, 1986; January 12, 1987; May 16, 1988; July 27, 1989; July 14, 1990; January 5, 1993; March 20, 1995; February 26, 1996; March 24, 1997; June 15, 1998; January 3, 2000; December 10, 2001.