



**To:** All Administrators and Supervisors  
**From:** Maria Contreras-Tanori – Director of Purchasing, Contracts and Risk Management  
**Date:** February 4, 2022  
**Subject:** Purchasing Deadlines for Fiscal Years 21/22 and 22/23

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 The purpose of this memorandum is to provide departments with information for submitting purchase requisitions (“PRs”) for the remainder of the current fiscal year and for the new fiscal year. During the last three months of the fiscal year, procurement activity significantly increases and we are asking for your cooperation in following the guidelines and instructions outlined in this memorandum so that we may best help you meet your requirements.

Each department is responsible for ensuring that funds for purchase expenditures are encumbered using the correct fund, organization, account, program (FOAP) and fiscal year. Please use the table below as your guideline.

**1. DEADLINES FOR COMPLETED REQUISITIONS (FULLY APPROVED)**

**1.1. For items or services that must be delivered and/or invoiced on or prior to June 30.**

Purchase Type	Dollar Thresholds by Type	Board Approval Required	FY 21/22 Deadline
<b>Equipment, Materials, Supplies &amp; Services</b>			
• Non-Competitive Quote or Proposal	≤\$10,000 <sup>1</sup>	No	May 9
• Informal Quotes/RFQ	>\$10,000 - ≤\$99,100 <sup>2</sup>	No	April 11
• <b>Formal Bid or RFP*</b>	≥\$99,100	Yes	<b>March 14**</b>
<b>Public Works, Repairs &amp; Maintenance (UPCCAA)</b>			
• Non-Competitive Quote or Proposal	≤\$60,000 <sup>3</sup>	No	May 9
• Informal Quotes/RFQ	>\$60,000 - <\$200,000	No	April 11
• <b>Formal Bid or RFP*</b>	≥\$200,000	Yes	<b>March 14**</b>
<b>Current Year Change Orders</b>			
To ensure the current balance is sufficient to pay year-end invoices, take into consideration the dollar thresholds listed above to determine deadline dates for current year change orders.		TBD	May 9

\*Formal Bids/RFPs require Board of Trustee approval if the total cost inclusive of all option years exceeds the above threshold for Formal Bids/RFPs.

\*\* Enter a PR as early as possible, particularly if the requested products have long lead times (the amount of time a vendor needs to manufacture and/or deliver the item).

**1.2. For “Open Orders” that need to be established for July 1 (FY 22/23).**

Open Orders	Dollar Thresholds	Board Approval Required	FY 22/23 Deadline
• Non-Competitive Quote or Proposal	≤\$10,000	No	May 9

<sup>1</sup> In order to streamline the Purchasing process, low dollar product purchases should be purchased on the ProCard in accordance with the ProCard Procedures and user limits (excludes capital equipment, technology >\$100 etc.).

<sup>2</sup> Per AP 3140, Purchasing practice is to issue a RFQ to obtain at least three quotes for requirements >\$10K.

<sup>3</sup> Department must contact Purchasing if amount is over \$22,500 for bonding requirements and compliance.

### 1.3. POs for the current fiscal year:

Some purchases have a long lead-time and the items must be received before the end of the fiscal year. Departments should take into account their respective approval cycle times, especially if multiple approvals are required, and allow additional time for the approval process.

### 1.4. POs that commence on July 1:

1.4.1. The new fiscal year is open in Banner.

- **Important:** You must use a Banner transaction date of July 1 or later to ensure funds are allocated to the correct fiscal year.

1.4.2. PRs for open purchase orders

- should be entered as soon as possible, and approved no later than the specified date in Section 1.2 above if services will be rendered in July. Requisitions received after this date will not be processed until after July 1.
- must accurately specify the projected expenditures for the new fiscal year so that the encumbered amount will be sufficient to pay all associated invoices through the end of the fiscal year. **Buyers will not close or disencumber open POs earlier than the end of the fiscal year.**

1.4.3. PRs for the new FY that continue the existing rental or lease of copiers, mail machines or other equipment should include the previous years' purchase order number, valid contract numbers, serial numbers, and model numbers in the "document text print" field.

1.4.4. For additional information see **Attachment 1 – Department Responsibilities and Helpful Tips.**

## 2. PRIORITIZATION AND LATE REQUISITIONS

Completed and approved PRs received by Purchasing by the dates specified in the Section 1 above will be processed in a timely manner and *generally on a first in, first out basis.*

### 2.1. The order of priority for processing will be:

2.1.1. Current FY PRs

- that involve grant funds that will be lost if the goods and services are not received by the end of the fiscal year. (Check with District Grants Office/Grants Monitor for details);
- for materials, equipment, and supplies;
- PO Change Order requests to increase PO encumbrances to facilitate payments;

2.1.2. Next FY PRs for services that begin July 1.

2.1.3. If the priority type is not identified on the requisition or cannot be established, Purchasing will process requisitions in the order received.

### 2.2. Late Requisitions

It is the Department's responsibility to plan in advance and allow sufficient time to meet the specified deadlines. To ensure timely processing of purchase requisitions, departments must submit purchase requisitions by the specified deadlines with appropriate documentation. All requisitions received after the deadlines will be given **lower priority.**

2.2.1. PRs submitted by the deadlines without the required documentation attached (i.e., quotes, agreements, etc.) will be considered "incomplete" and late.

2.2.2. Purchasing Services staff will make every effort to process PRs received after the deadline dates, but cannot guarantee the PR will be processed against current year funds.

- PRs ≤ \$10K, change orders or open POs. The assigned Buyer may be able to process depending on capacity based upon prioritization described above.
- PRs >\$10K or urgent late requests that require competitive bidding must include an explanation/justification from respective Administrator as to why it was submitted late and impact to Department if the requisition is not processed in the current fiscal year. If this information is not included with the requisition, the Buyer will request explanation/justification and escalate if necessary.

This memo and additional information is available on the Purchasing website at: <http://purchasing.fhda.edu/>.

Thank you in advance for your cooperation.

## 1. PR TRANSACTION DATES AND RESPONSIBILITIES

### 1.1. PR Requester Responsibilities

1.1.1. Requestors complete PRs as early as possible and **monitor the approval queue status to ensure approvals are completed by specified deadlines.**

- The transaction date for current FY PRs is always the current date.
- The transaction date for next FY PRs must be entered as July 1 or later.

1.1.2. PR Description. The PR should include a clear, non-technical, description of what is requested on the first line of description entry field.

- **DO NOT** start description with “see attached agreement,” “see attached quote,” or “see attached invoice.”
- Requestor should succinctly describe the product or service on first line. For example: Roofing Services, Fencing, HVAC, Pest Control Services, Dell Computers, Advertising, Software, Legal Services etc.
- **Federal Grants.** If federal grant funds are being used, it should be noted within the body text of the requisition as there are special PO/Contract clause requirements, including checking the federal suspension/debarment website. See the Purchasing Website for Federal Grant Guidelines.
- **Measure G.** A new email address has been established for Measure G invoices. The following language should be added to PR description to carry over to the PO.

INVOICES. For efficient processing, the invoice should indicate the PO# and be sent directly to Accounts Payable via email to [measureinvoices@fhda.edu](mailto:measureinvoices@fhda.edu)

1.1.3. PR Documentation. Remember to attach appropriate backup such as a quote, fully executed contract (except Public Works, Repairs and Maintenance Agreement for UPCCAA, which are executed by Purchasing), W-9 for new vendors, specifications/scope of services/requirements, etc.

- De Anza: Fiscal Services staff, or Tina Lockwood, [lockwoodtina@fhda.edu](mailto:lockwoodtina@fhda.edu)
- Foothill: Audrey Capristo, [capristoaudrey@fhda.edu](mailto:capristoaudrey@fhda.edu)

1.1.5. **For items or services that must be delivered and/or invoiced on or prior to June 30**, enter a PR as early as possible, particularly if the requested products typically have long lead times (the amount of time a vendor needs to manufacture and/or deliver the item).

- The average delivery time for goods and supplies is 2 ½ weeks after vendor receives PO, if the item is in stock.
- Some purchases such as furniture or equipment have long lead-times if manufacturing is required to fulfill the order.
- PRs funded by Grants. Purchasing staff *is not responsible* for monitoring FOAPs tied to grant-funded purchases. If grant funds must be spent and encumbered by a specific date, then it is the department’s responsibility to submit a timely requisition and relay that information in the text of the requisition (document text print). Contact the Grants Monitor/Sr. Accountant or the Grants Accountant if you do not know the grant requirements. See the Finance/Grants website link for more information.  
<http://business.fhda.edu/grants/index.html>

### 1.2. PR Approver’s Responsibility

Approvers should monitor the approval queue to ensure requisitions are approved in a timely manner.

### 1.3. No Splitting of Purchases or Contracts

No employee of the District shall split or separate a purchase of supplies, materials or equipment or a contract for services for the purpose of evading the competitive bidding requirements. The acquisition of supplies, materials and equipment should normally be made as a single purchase, when the need has been identified for multiples of items, related items, or similar items, which are ordinarily available from the same vendor or manufacturer.



## 1.4. Checking Requisition Status



As part of Purchasing's self-service strategy, instructions on how to check requisition status are provided on the Purchasing website:

[http://purchasing.fhda.edu/downloads/Requisition%20Status\\_SSB\\_3.19.20.pdf](http://purchasing.fhda.edu/downloads/Requisition%20Status_SSB_3.19.20.pdf)

## 2. OTHER THINGS TO REMEMBER:

### 2.1. Competitive Solicitations

Depending on complexity of the purchase request, it can take two to six weeks for Purchasing to obtain competitive quotations and create a PO *after* the requisition is completed and approved in Banner.

**Important Reminder:** Pursuant to Board Policy BP 3140 and related Administrative Procedure AP 3140 entitled Purchasing Procedures Section I.B, this section requires that as a matter of board policy, purchases in an amount greater than \$10,000 for equipment, materials, supplies and services are to be conducted through a public procurement competitive solicitation process. Based on this requirement, Purchasing shall issue a competitive Request for Quotations (RFQ) solicitation through the District's e-procurement system (unless purchased under a cooperative agreement).

<https://www.boarddocs.com/ca/fhda/Board.nsf/goto?open&id=9TVPXR633F7C>

### 2.2. Technology

PRs for purchases of non-standard computer hardware and software, including peripherals, servers, printers, copiers, multi-function devices, scanners, and multimedia equipment *are subject to review and approval by ETS* prior to being processed by Purchasing Services. See ETS website for more information at: <http://ets.fhda.edu/>

PRs for public project work, repairs or maintenance of *any* value must follow the procedures of the Uniform Public Construction Cost Accounting Act (UPCCAA). Contact the persons responsible for facilities maintenance at your campus if you are unclear whether or not the proposed scope of work is subject to UPCCAA. There is also, definitions of Public Projects and Maintenance provided on the Purchasing website <https://purchasing.fhda.edu/bid-threshold/index.html>

### 2.4. Independent Contractor Agreements (ICA) and Agreement for Services

In December 2019, Purchasing Services, in collaboration with Business Services and Human Resources, announced a revised and improved ICA template and process. This agreement is available on the Purchasing website at: <http://purchasing.fhda.edu/forms/index.html>

Under this streamlined process, a purchase requisition/order is **NOT** required for most ICA's if the amount is \$5,000 or less. See below guidelines and/or **Attachment 2 - Flowchart for Agreements \$5,000 and under.**

#### 2.4.1. For ICA's ≤ \$5,000, with one invoice payment (**No PO is required**):

- And services are not funded by bond measure,
- Submit the completed ICA, W-9, Payment Authorization Form (*formerly known as Invoice for Services Rendered Form*) and the approved Contractor's invoice directly to Accounts Payable for processing.
- All services performed on-site valued at \$1,000 or more will need to comply with insurance requirements.

#### 2.4.2. For ICA's ≤ \$5,000, with multiple invoice payments, or for ICA's >\$5,000 (**PO required**)

- Submit a purchase requisition and upload the completed ICA, W-9 (if required), and proof of insurance for on-site services.
- To prevent payment delays, if you have established an Independent Contractor Agreement (ICA) or Agreement for Services and will need a PO to pay for the related invoices, submit a PR in a timely manner along with the completed signed ICA/Agreement to Purchasing Services *before the contractor begins work.*

## Attachment 1 - Department Responsibilities and Helpful Tips

- After Purchasing issues the PO, submit all approved Contractor invoices to Accounts Payable and indicate the PO number on each invoice.

### **2.4.3. For Public Works (UPCCAA) contracts in any amount, no change in process (PO required).**

- Construction and maintenance/repair services must comply with insurance requirements and the prevailing wage requirements as per State of California - Department of Industrial Relations.

### **2.5. Limited Engagement Agreement (LEA)**

As part of the ICA streamlining effort, the LEA can be used when engaging in selected low risk services under \$5,000.00 with a single payment. The Agreement is designed for the limited engagement of speakers, guest lecturers, performers, musicians, etc. Based on low risk designation of these types of services, the District's standard insurance requirements will not apply. (Note: For Individual/Sole Proprietor or Single Member LLC only. No other Federal Tax Classification)

This agreement is available on the Purchasing website at: <http://purchasing.fhda.edu/forms/index.html>

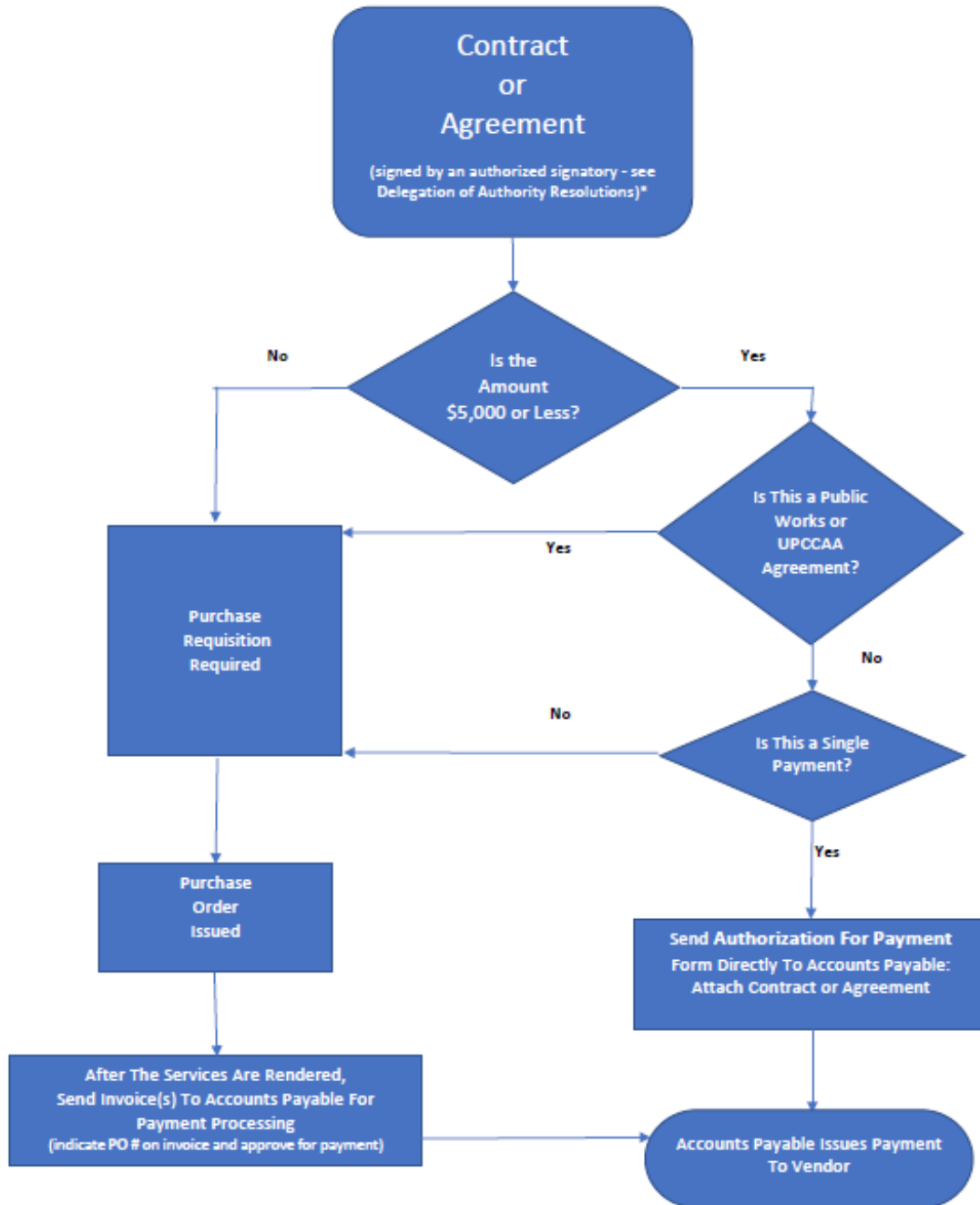
### **2.6. Procurement Card Program**

The ProCard program is established to streamline small dollar purchases and to reduce the acquisition period. **The ProCard shall be used as a first purchase option for small dollar allowable purchases of \$1,000 or less** (excludes capital equipment, technology >\$100 etc.).

Please refer to the link below for Pro-Card Rules, Procedures and restrictions.

<http://business.fhda.edu/policies-and-procedures/e-procard-policies-and-procedures.html>

## Agreements \$5,000 and Under Payment Process Flowchart



\* <http://purchasing.fhda.edu/procedures-policies-and-laws/index.html>