

To: All Administrators, Supervisors, and Support Staff
From: Mark Hua – Director, Purchasing, Contracts, and Risk Management
Date: January 29, 2024
Subject: Purchasing Deadlines for Fiscal Year 2023-2024

As we approach the end of the fiscal year and anticipate increased procurement activity, Purchasing Services kindly requests your cooperation in following the guidelines and instructions outlined in this memo regarding Purchase Requisition (PR) submission for the current and upcoming fiscal year. Ensuring accurate FOAP information and adhering to the deadlines in the table below will greatly assist us in efficiently processing your PRs and ensuring timely delivery of your purchases. We appreciate your partnership in achieving a smooth transition into the new fiscal year. Please do not hesitate to contact Purchasing Services with any questions.

1. DEADLINES FOR COMPLETED REQUISITIONS (FULLY APPROVED WITH COMPLETE BACKUP DOCUMENTS)

Purchase Type	Dollar Thresholds	Board Approval	FY 23/24 DEADLINE
Equipment, Materials, Supplies & Services			
Non-Competitive Quote or Proposal	Less than \$10,000	No	05/03/2024
Informal Quotes/RFQ	\$10,001 to \$114,500	No	04/05/2024
Formal Bid or RFP*	Greater than \$114,500	Yes	03/08/2024**
Public Works, Repairs & Maintenance (UPCCAA)			
Non-Competitive Quote or Proposal	Less than \$60,000	No	05/03/2024
Informal Quotes/RFQ	\$60,001 to \$200,000	No	04/05/2024
Formal Bid or RFP*	Greater than \$200,000	Yes	03/08/2024**
Current Year Change Orders			
Check balance against thresholds above for current change order deadlines.		Determined based on final amount	05/03/2024
*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 PR products have long lead times (the amount of time a vendor needs to manufacture and/or deliver the item).			

2. PURCHASE ORDERS FOR THE CURRENT FISCAL YEAR.

For purchases with long lead times and delivery required by June 30th, departments should factor in their approval cycle times, especially if multiple approvals are needed, and allow additional buffer time to ensure timely receipt before the fiscal year end.

3. OPEN PURCHASE ORDERS THAT COMMENCE ON JULY 1, 2024 (FY 24/25)

****IMPORTANT**** You must use a Banner transaction date of July 1 or later to ensure funds are allocated to the correct fiscal year (FY 24/25). If a requisition is entered with a date prior to July 1 for a FY 24/25 open purchase order it will (1) be placed on hold for processing after mid-July, or (2) will need to be cancelled by the requester and re-submitted with the correct transaction date.

- a. Requisitions for open purchase orders should be entered as soon as possible and approved no later than **05/03/2024** if services need to be rendered by July 1. Requisitions received after this date will not be processed until after July 1.

- b. Requisitions for open purchase orders 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.

4. PRIORITIZATION

- a. Completed and approved Requisitions received by Purchasing by the dates specified in Section 1 above will be processed in a timely manner and generally on a **first in, first out** basis.
- b. The order of priority for processing will be:
 - 1. Current fiscal year Requisitions
 - 2. Next fiscal year Requisitions for services that begin July 1.
 - If backup documentation is incomplete, or missing, the Requisition will be placed at a lower priority for processing. It is the Requisitioner's responsibility to upload complete backup at the time of requisition entry.

5. LATE REQUISITIONS

It is the Department's responsibility to plan and allow sufficient time to meet the specified deadlines to ensure the timely processing of Requisitions. All requisitions received after the deadlines will be given lower priority.

- a. Requisitions submitted without required documentation (i.e. quotes, agreements, etc.) will be considered incomplete and placed on hold.
- b. Purchasing staff will make every effort to process Requisitions received after the deadline dates but cannot guarantee the Requisition will be processed against current year funds.
 - 1. Requisitions less than \$10K, change orders or open POs - The assigned Buyer may be able to process depending on capacity based upon prioritization described above.
 - 2. Requisitions greater than \$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 is available on the Purchasing website at: [Year-End Req Deadlines](#).

Thank you in advance for your cooperation.

ATTACHMENT 1 – DEPARTMENT RESPONSIBILITIES AND HELPFUL TIPS

1. REQUESTOR RESPONSIBILITIES

- a. Requisitions should be completed as early as possible and monitor the approval queue status to ensure approvals are completed by the specified deadlines.
 - i. The transaction date for current FY Requisitions is always the current date.
 - ii. The transaction date for the next FY Requisitions must be entered as July 1 or later.
- b. Description – Requisitions should include a clear, non-technical description of what is being requested on the first line of the entry field.
 - i. DO NOT start the description with “see attached” agreement, quote, or other backup.
 - ii. Requestor must succinctly describe the product or service on the first line. For example: Roofing Services, Fencing, HVAC, Pest Control Services, Dell Computers, Advertising, Software, Legal, etc.
 - iii. If Federal grant funds are being used, it should be noted within the body of the Document 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.
 - iv. Document Text should also include vendor contact information, including the e-mail address of the vendor contact that should receive the purchase order.
- c. 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. Requisitions that do not include the backup, or that include a notation stating “backup will be attached later” are considered incomplete, will be given lower priority, and do not meet Purchasing requirements.
- d. Contact Help - Follow the procedures for entering a purchase requisition that have been established by your campus administrators. If you are unclear about the procedures, contact your respective college resource:
 - i. De Anza: Fiscal Services staff, or Tina Lockwood, lockwoodtina@fhda.edu
 - ii. Foothill: Audrey Capristo, capristoaudrey@fhda.edu
- e. Urgent Items – goods or services that must be delivered and/or invoiced on or before June 30. Enter a Requisition as early as possible particularly if the product has long lead times.
 - i. The average delivery time for goods and supplies is 2 ½ weeks after vendor receives PO, if the item is in stock.
 - ii. Some purchases such as furniture or equipment have long lead-times if manufacturing is required to fulfill the order.
 - iii. Requisitions funded by Grants. The 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>

2. APPROVER RESPONSIBILITIES

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

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.

4. CHECKING REQUISITION STATUS

As part of Purchasing's self-service strategy, instructions on how to check requisition status are provided on at this link: [Checking Requisition Status](#).

5. IMPORTANT TO NOTE

- a. 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.
- b. Purchases greater than \$10,000. 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 should obtain at least three competitive quotes, unless purchased under a cooperative agreement.
- c. Technology. Requisitions for purchases of non-standard computer hardware and software, including peripherals, servers, printers, copiers, multifunction 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: <https://ets.fhda.edu/>
- d. Public Projects. Requisitions 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 the proposed scope of work is subject to UPCCAA.

6. CONTRACTS

- a. The Independent Contractor Agreement (ICA) and Agreement for Services (AGS) are available on the Purchasing website at: [Contracts & Forms](#).
- b. 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 the 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: [Contracts & Forms](#).
- c. See the [Contract/Agreement for Services Flow Chart](#).

7. PROCUREMENT CARD PROGRAM

The ProCard program was established to streamline small dollar purchases and to reduce the acquisition period. The ProCard shall be used as a first purchase option for infrequent small dollar allowable purchases of \$1,000 or less. Frequent or repeat purchases of goods and supplies should have an Open Purchase Order established. Please refer to the [Rule and Procedures for Procard Use](#).