



ADMINISTRATIVE REGULATION AND PROCEDURE

Title: Non-Construction Payments	Code: BB0800
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Policy Reference: B0801, Procurement of Equipment, Supplies & Service

The responsibility for procurement of all materials and services throughout the Milwaukee Area Technical College District is vested in the Purchasing Department. All commitments for obtaining goods and services must be processed through the Purchasing Department. Transactions without prior approval will not be honored, and confirming orders are reserved for emergencies only. Before any purchase is made, the approvals of the appropriate supervisor and the District Office of Business Management are required.

The WTCS Procurement Policy presented in the Financial Accounting Manual FMC 6.1.1 through 6.2.2 which is based on the State of Wisconsin Administrative Rule TCS 6 and 80 CFR § 80.36 (1/1/98 Edition), is adopted as the policy and procedure for MATC effective April, 1999. Copies are available online at:
<http://mywtcs.wtcsystem.edu/data-systems-grp/data-system-manuals/uniform-financial-fund-accounting-system>.

All procurements must be conducted in a manner which will provide maximum and free competition. Purchasing personnel at MATC subscribe to District Board Policy, C0700, District Employee Code of Ethics and the Standard of Conduct adopted by the National Association of Purchasing Management, Inc.

DEFINITIONS AND CONDITIONS

“Procurement” means buying, purchasing, renting, leasing, or otherwise acquiring any supplies, services, equipment, or construction, and includes any other activity pertaining to obtaining supplies, services, equipment or construction. For the purpose of this regulation and procedure statement, a procurement is composed of the aggregate of all similar items where similar items are defined as all items of a common nature.

The Purchasing Department exists to provide the orderly and economical procurement of goods and services for the MATC District. All purchasing must be conducted in a manner which will provide maximum and free competition. The Purchasing Department is responsible for committing funds for goods and services. Transactions without purchasing approval will not be considered an obligation of



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MATC but that of the individual.

Procurements Less than \$25,000

All procurements less than \$15,000 may be obtained at buyer discretion. Obtain two written quotes for procurements greater than \$15,000 but less than \$25,000. Forward the written quotes to Purchasing.

Procurements Over \$25,000 but Less than \$50,000

Except as provided under pars (d), (e) and (i) under state statute TCS 6.05, all procurements where the total cost equals or exceed \$25,000, and does not exceed \$50,000 must be accomplished through the solicitation of written quotations from a minimum of 3 contractors or proposed contractors: Records required for these purchases include:

- The rationale for the method of procurement
- The rationale for selection or rejection of any contractor or proposed contractor
- The basis for cost or price

Procurements Over \$50,000 – Competitive Bid or RFP

All procurements which exceed \$50,000 must be accomplished through the use of competitive bids/RFP's except as provided by pars. (d), (e), and (i) of state statute TCS 6.05 OR unless the college may "piggyback" an existing contract or the item is classified as a sole source. Solicitations of offers shall include a clear and accurate description of the item or service being procured. This description shall not contain features which unduly restrict competition. Detailed product specifications should be avoided if at all possible. When a clear and accurate description is impractical or uneconomical, a "brand name or equal" description may be used. The specific features of the named brand which must be met by offerors shall be clearly stated. Solicitations of offers shall include all requirements which offerors must fulfill and all other factors to be used in evaluating bids or proposals. More than one procurement may be included in a single bid notice. The District may request that bids on a



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Title: Non-Construction Payments	Code: BB0800
----------------------------------	--------------

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procurement be on a per item basis, for the aggregate, or both.

Competitive Sealed Bids

Procurements greater than \$50,000 shall be made based on competitive sealed bids when a complete, adequate and realistic purchase description is available, two or more responsible suppliers are willing and able to compete, the procurement lends itself to a firm-fixed price contract, and selection of the supplier can be made principally on the basis of price. Districts may waive minor irregularities in bids. However, any irregularity which could substantially change the bids of other vendors may not be waived.

Contracts may be awarded for a period of no longer than five years with districts having an option of additional consecutive one year extensions up to a maximum total contract length (including extensions) of seven years. The proposed contract period along with any provisions for extensions must be incorporated into the bid specifications.

Contracts may not be renewed beyond the original contract length including any allowable extensions.

Formal Advertising

In addition to soliciting bids from an adequate number of known suppliers, an invitation to bid will be posted on the district designated public website Demandstar. This bid solicitation shall contain:

- A bid identification - Each procurement being bid shall be assigned a unique title or code for identification purposes.
- The place the sealed bid should be returned to and the deadline for accepting bids (time and date). This deadline shall be at least seven (7) days after the publication of the invitation to bid. The district shall record the time and date of receipt.
- Adequate purchase description – The bid specifications shall include a clear and concise description of the service and/or item(s) being purchased. If the purchase description is not published, the invitation to bid must clearly state how it may be obtained.
- The length of the proposed contract, along with any extensions, must be included in the specifications.



ADMINISTRATIVE REGULATION AND PROCEDURE

Title: Non-Construction Payments

Code: BB0800

Policy Reference: B0801, Procurement of Equipment, Supplies & Service

- A statement identifying the method by which bids will be accepted and that the bid identification number must be stated on the face of the bid envelope, in the subject line for districts that accept e-mail bids, on the fax cover sheet for districts that accept fax bids, or communicated to the district staff person taking the phone bid for districts that accept phone bids.
- The time, date, and place of the public opening. The phrase "public opening" must be used.
- A statement that bids must be guaranteed for a period of thirty (or more) days following the date of the bid opening. This period allows for district board review and approval of bids consistent with district policy.

Public Opening

All bids must be opened at a public opening. At least two district employees shall be present. The bid opening may be held at the bid submission deadline. The bids will be presented for public inspection. The award may be made at the opening.

Bid Award

The award shall be made to the lowest acceptable bidder. Factors such as discounts, transportation costs, and life-cycle costs may be taken into consideration. Payment discounts may be considered only if the district has generally taken them in the past.

- Any or all bids may be rejected when there are sound, documented business reasons.

Bid documentation

MATC shall maintain documentation and records sufficient to detail the significant history of a bid process:

- Publicized invitation to bid (a copy of the Class 1 notice or proof of internet posting on a district designated website)
- Bid Document, including specifications, any amendments, and proposed contract length along with any possible extensions
- Vendor lists of solicited bids
- Bids from vendors, including date and time received



ADMINISTRATIVE REGULATION AND PROCEDURE

Title: Non-Construction Payments	Code: BB0800
----------------------------------	--------------

Policy Reference: B0801, Procurement of Equipment, Supplies & Service

- Completed bid spreadsheets
- Vendor selection, including rationale if not awarded to lowest bidder
- All other significant correspondence or documentation

Competitive Selection (RFP)

For procurement of greater than \$50,000 where conditions are not appropriate for the use of sealed bids, competitive selection will be used. Generally, competitive selection is used if a firm-fixed price contract is not appropriate or when factors other than price are of primary consideration in awarding the procurement, e.g., professional services where qualifications are of primary consideration. In the case of professional services contracts, service is defined by Administrative Rule TCS 6.05 (1)(i), as "the furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than reports that are merely incidental to the required performance." Contracts may be awarded for a period of no longer than five years with districts having an option of additional consecutive one year extensions up to a maximum total contract length (including extensions) of seven years. The proposed contract period along with any provisions for extensions must be incorporated into the RFP specifications. Contracts may not be renewed beyond the original contract length including any allowable extensions.

- Proposals shall be solicited from an adequate number of qualified sources and the request for proposals (RFP) shall be publicized. Publicize, at a minimum, means publication in the official district newspaper as a Class 1 Notice or posted on a district designated public website. Additional notification may also be provided by other means to targeted vendors (i.e., direct mailings to known vendors, use of specific industry publications, trade journals, etc.).
- The place the RFP should be returned to and the deadline for accepting bids (time and date). This deadline shall be at least seven (7) days after the publication of the RFP. The district shall record the time and date of receipt.
- The scope of the RFP must be written in clear, concise and measurable terms.
- The request for proposals shall identify all significant evaluation factors and their relative importance.
- The length of the proposed contract, along with any extensions, must be included in the specifications.
- Districts shall provide mechanisms for the technical evaluation of the proposals



ADMINISTRATIVE REGULATION AND PROCEDURE

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received, determination of responsible offerors for the purpose of written or oral discussions, and selection for contract award.

- The award will be made to the qualified offeror whose proposal is most advantageous - price and other evaluation factors considered.
- A statement identifying the method by which RFPs will be accepted and that the RFP identification must be stated on the face of the RFP envelope, in the subject line for districts that accept e-mail RFPs, or on the fax cover sheet for districts that accept fax RFPs.

RFP Documentation

- Publicized requests for proposals (a copy of the Class 1 notice or proof of internet posting on a district designated website - Demandstar)
- RFP Document, including specifications, any amendments, evaluation factors and relative weight, and proposed contract length along with any possible extensions
- Vendor lists of solicited proposals
- Proposals from vendors, including date and time received
- Completed evaluation summary sheets
- Vendor selection, including rationale if not awarded to vendor with highest score
- All other significant correspondence or documentation



Title: NONCONSTRUCTION PROCUREMENTS	Code: BB0800
-------------------------------------	--------------

Sole Source Purchases

Districts may use the sole source procurement process where cooperative purchasing under s. 16.73, Wis. Stats., is utilized or a cooperative purchasing association is recognized by the system president provided the vendor was selected through at least a comparable competitive process to that required of WTCS districts, per TCS 6.05 (2)(d). Requests for recognition of cooperative purchasing associations are to be submitted to the System Office contact.

Districts may purchase directly from a vendor in the following situations. The district board may delegate the authority to authorize sole source procurements to the district director or other district staff.

1. The item or service is only available from a single source.
2. After solicitation in a competitive procurement, competition is determined to be inadequate.
3. The purchase is from another governmental body.
4. Cooperative purchasing under s. 16.73, Wis. Stats., is utilized.
5. The purchase is made through a cooperative purchasing association which has a competitive purchasing process that is substantially the same as the competitive procurement requirements applicable to the WTCS and which has been recognized by the system president.
6. The federal or other grantor agency authorizes noncompetitive negotiation.
7. Used equipment from a vendor who offers it for immediate sale may be purchased through noncompetitive negotiation.
8. Resale items are not subject to competitive requirements since these items may need to be procured in an expedient manner to restock supplies, or to acquire goods via unique one time sales.

Emergency Purchases

The Purchasing Department recognizes that from time to time emergencies arise which require a rush purchase for goods or services. Emergencies are usually defined as production shutdown due to equipment failure, facilities maintenance involving employee safety or comfort, and other areas deemed potentially dangerous or life threatening. Emergency procurements should always be limited to true emergencies defined as unforeseen happenings and should never be used to cover or disguise inefficiencies of personnel.

Once any required competitive process is complete, the MATC employee initiating a purchase completes the External Purchase Requisition in the COSMO/Ellician ERP system



Title: NONCONSTRUCTION PROCUREMENTS	Code: BB0800
-------------------------------------	--------------

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is essential that the following be included on the requisition:

- Campus, room number, person ordering, person to deliver to, and suggested vendor.
- Proper GL or budget code to charge the purchase against. There must be sufficient funds assigned to GL for purchase.
- Vendor contact information: name, phone number and email address. All PO's are emailed to vendors:
- A clear description of material or service required with the price of each item.
- Separate requisitions must be used for each delivery point for which an order is submitted.

The price for each item must be indicated on the requisition. The Purchasing Department will aid employees in furnishing descriptions, cost, and vendor information. If necessary, the Purchasing Department will also arrange meetings with company representatives for demonstrations or additional information.



Title: NONCONSTRUCTION PROCUREMENTS	Code: BB0800
-------------------------------------	--------------

- The completed external requisition will be electronically transmitted to budget manager, department manager, and business office for review and approval as required by dollars expended. Fully approved external requisitions are electronically transmitted to the purchasing department.
- The Purchasing Department prepares the purchase order and sends copy to the vendor. Requisitioners can review completed orders electronically in the COSMO System.

In the event an emergency arises, an External Purchase Requisition (EPR) still needs to be entered into COSMO. Requisitioner should ensure that persons required to approve the EPR are aware of the emergency so the EPR can be passed through the system as quickly as possible.. Once the EPR reaches the Purchasing Department, action can be taken and a purchase order issued to allow the requisitioner to satisfy the emergency.

If the material or service needed by an employee is available from other departments of the Milwaukee Area Technical College, the employee completes duplicate (a) Internal School Requisition (Form G:01A)

Internal requisitions are sent to requisitioner's supervisor for approval. Approved internal requisitions are sent to the appropriate MATC department.

**GENERAL INFORMATION FOR
PURCHASING GOODS AND SERVICES
AT MATC**



Title: NONCONSTRUCTION PROCUREMENTS	Code: BB0800
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Because we operate as a budgetary institution, funds must be available for any purchase. As it is required to have an estimated price for every item on an external requisition, inquiries to potential suppliers should be requested through the Purchasing Department when an estimated price is not available.

In order to obtain the best purchasing power, requirements should be grouped on a district-wide basis with each dean or campus administrator reviewing for possible standardization. Department leaders should request an annual forecast of material and services. Adequate lead-time should be allowed for the procurement.

In order to comply with the WTCS Administrative Rule TCS 6.05(2)(h), district staff shall prepare a review of all procurements of \$50,000 or less of similar goods, supplies, or services that total \$50,000 or more in aggregate to determine if a more competitive process should be used in succeeding years. This review is to be based on a report containing transaction detail grouped by similar goods, supplies and services and a total for each grouping. Since similar items of a common nature are generally purchased from a common vendor, a report of procurements with transaction detail by vendor is sufficient to comply with this requirement. This report should then be totaled to determine if the aggregate by vendor for the transactions is greater than \$50,000. Those that total to more than \$50,000 by vendor should be included in the review to determine if a more competitive process should be used in the future.

Annually, the district board shall take formal action by October 31 on the procurement review and report related to the prior fiscal year. Such action is to be reflected in the board minutes.

Blanket orders for the purchase of resalable items are exempt from the \$50,000 bid policy. When nonresalable material required exceeds \$50,000 for a blanket order, bids are required. It must be kept in mind that the \$50,000 requirement is based on the entire District's needs.

It is elementary but still worth repeating - care must be exercised in filling out the external requisition. The campus, delivery point, person to notify, and a clear, easy-to-read description of the required material must be displayed on the requisition.

From time to time emergencies arise which require a rush purchase for goods and services. Emergencies are defined as equipment failure or facilities maintenance involving student and/or staff safety or comfort. In the event an emergency arises, an EPR still needs to be processed. Requisitioner should ensure that persons required to approve the EPR are aware of the emergency so the EPR can be passed on.

All contact with vendors concerning an order should be channeled through the Purchasing Department.



Title: NONCONSTRUCTION PROCUREMENTS	Code: BB0800
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Discrepancies in price, damages, or shortages on incoming material should be reported to Purchasing. Please check your invoices carefully before signing off. Whenever material is required to be returned or sent from our buildings, a shipping memorandum is required. Please contact Purchasing and inform them of your objective in returning or sending our material.

Audit: The Procurement Department will ensure that appropriate internal control procedures and safeguards are in place for all activity related to the procurement process and will monitor & audit activity related to purchasing. Periodic audits and reviews of purchasing records will be done by an independent audit firm to ensure their proper accounting and compliance with District Policy.

Office of Responsibility: Finance Division
Last Reviewed: Mar-2022