



Procurement Procedures Manual

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Delegation of Authority

The Governing Board delegates to the President and his/her designated representative the authority to purchase equipment, supplies, and services used by the College. (Policy 2004) The President has delegated authority to the Director of Procurement to oversee the College's Purchasing Policy and Procedures. The Director of Procurement has the authority to approve and award purchases with an aggregate amount of \$49,999. Certain employees of the College have been delegated authority to make purchase on behalf of the College using the P-Card process and are required to follow the P-Card Policies and Procedures. All purchases between \$50,000.00 and \$249,999.99 must be approved by the College President, and purchases \$250,000 and above must be approved by the Governing Board.

I. Function of the Procurement Department

Cochise College is subject to many of the rules and regulations that have been established by the State and Federal government, as well as our own policies and procedures. It is the responsibility of the Procurement Department to ensure that all purchases for goods and services requested by any department at Cochise College are in compliance with the regulations and policies. While purchasing procedures must meet these requirements, they must also accommodate the needs of the institution and recognize the mission of Cochise College. The needs of the various departments are as diverse as the individuals responsible for the purchasing functions within each department. In order to meet the challenges of providing the goods and services needed by each department in a timely manner, certain levels of purchasing responsibility have been delegated to the individual departments. All employees involved in the purchasing process for their departments are responsible for understanding the limits of their authority as outlined within the Procurement Manual and for understanding the rules and policies which govern the purchasing process that is to be used to purchase the goods or services. The Procurement Department is available to provide training for individuals who perform the purchasing function for their departments. Department Heads or Administrators are responsible for directing their employees who need purchasing training to the Procurement Department to coordinate any needed training, or refresher training.

II. Code of Ethics & Conflict of Interest

Public employment is a public trust. It is the policy of Cochise College to promote and balance the objective of protecting government integrity and the objective of facilitating the recruitment and retention of personnel needed by Cochise College. Such policy is implemented by prescribing essential standards of ethical conduct without creating unnecessary obstacles to entering public service.

Public employees must insure they remain impartial so as to assure fair and competitive access to governmental procurement by responsible contractors. Moreover, they should conduct themselves in such a manner as to foster public confidence in the integrity of the Cochise College Procurement Department. Cochise College employees will avoid the appearance of unethical or compromising practices in relationships, actions, and communications.

- A.** It shall be a breach of ethics to attempt to influence any public employee of Cochise College to breach the standards of ethical conduct set forth in this policy.
- B.** It shall be a breach of ethics for any employee of Cochise College to participate directly or indirectly in a procurement when the employee knows that:
1. the employee or any member of the employee's immediately family has a financial interest pertaining to the procurement;
 2. a business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement; or
 3. any other person, business or organization with whom the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.

If such conflicts of interest exist, the employee shall notify the Director of Procurement in writing and remove him/herself from the College procurement process.

- C.** It shall be a breach of ethics to offer, give or agree to give any employee or former employee of Cochise College, or for any employee or former employee of Cochise College to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or purchase request, influencing the content or any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore pending before this government.
- D.** It shall be a breach for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for Cochise College, or any person associated therewith, as an inducement for the award of a subcontract order.
- E.** The prohibition against gratuities and kickbacks prescribed above shall be conspicuously set forth in every contract and solicitation therefore.
- F.** It shall be a breach of ethics for any employee or former employee of Cochise College knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any person. Employees will keep College procurement information obtained from an RFP or RFQ confidential until after the contract is awarded.

III. Best Value Purchasing

The College purchases goods and services on a best value basis. The Purchasing Department is responsible for determining which purchase option represents the best value to the department and the College. Purchasing options include a variety of state contracts, cooperative contracts, and various solicitation methods. Best value is represented not only by the best price **but** also by selecting the most efficient, effective method of completing the purchase.

A. Determining Best Value

Regardless of the purchasing process used, the College may define best value evaluation criteria. Determination of best value must be justifiable and based on facts and/or review of the submitted quotes, proposals or bids. It is not to be based on the end user's opinion.

1. purchase price;
2. reputation of the vendor and of the vendor's goods or services;
3. quality of the vendor's good or services;
4. extent to which the goods or services meet the College's needs (delivery dates, schedules, etc.);
5. vendor's past relationship with the College;
6. impact on the ability of the College to comply with the laws and rules relating to historically underutilized businesses and to the procurement of goods and services from persons with disabilities;
7. total long-term cost to the College of acquiring the vendor's goods or services;
8. any other relevant factor that a private business entity would consider in selecting a vendor; and
9. written justification of a proprietary need for a single vendor or product specified in the request for bids.

V. Purchasing Tools

The following tools are provided to make the purchasing process as easy as possible while maintaining adequate financial controls. Purchases that do not utilize one of these tools are considered unauthorized.

A. Procurement Card

Orders for supplies and small items may be purchased with a College credit card, known as the procurement card (P-Card). These purchases may not exceed the established credit limits of the P-Card. The procurement card may be used with any vendor accepting MasterCard, in accordance with rules and regulations in the Procurement Card Program Procedures and College Policies.

To receive a procurement card, a College employee must:

1. Be a benefit eligible employee (to ensure out-processing through Human Resources).
2. Complete an application form which requires the signature of the department head/supervisor and supervising Executive Administrator. (i.e. President or VP)
3. Attend mandatory training.

After the Procurement Card Administrator processes the application and receives the card, the applicant will be contacted to establish a time for training. Certain purchases are restricted from being made with the card. Review the College's Procurement Card Program Procedures for specific details. Audits will be conducted by the Procurement Card Administrator to ensure compliance. Cards may be terminated, suspended, a warning given, or re-training will be required if an individual fails the compliance audit on a consistent basis. If recurring purchases are made from the same vendor for the same item(s), please contact the Procurement Department to discuss whether a standing order would be more efficient and/or represent a better value to the College.

B. Purchase Requisition

If other delegations or tools are not applicable to the purchase, a Purchase Requisition must be used. Depending on the spend level, competitive bidding may be required in order to obtain possible cost savings through the bid process.

When purchasing using a Purchase Requisition, preliminary discussions with a vendor by the end user are acceptable, but the official purchase order and commitment of funds for the College must be completed by the Purchasing Department. The end user has no authority to make a commitment before submitting a requisition or obtaining an authorized purchase order number. In addition, the end user must allow an adequate amount of time for the Procurement Department to complete the purchasing process appropriate to the purchase; i.e., developing specifications, soliciting formal bids, requiring on-site visits, etc.

C. State Contract

The College may utilize State of Arizona Contracts without additional bidding.

D. Cooperative Purchasing

Cooperative Purchasing allows the College to complete purchases, without bidding, from cooperatives in which Cochise College is a member. Links to Cooperative Purchasing websites are updated and located on the Purchasing website.

E. College and Other State Agency Contracts

The College may purchase from contracts that have been through a solicitation process either by Cochise College or by another college or state agency.

F. Annual Purchase Orders

Most Annual Purchase Orders have been established for departments with a need for frequent purchases of the same item(s). Individual orders are placed by the end user as needed or by Procurement Department staff and the invoice forwarded to the Purchasing Department. Annual Purchase Orders that are prepared for multi- department or single use are established yearly by the Procurement Department through a standing order renewal process.

G. Competitive Bidding

Competitive bidding is defined as the process of inviting and obtaining bids from competitive sources. Competitive bidding is considered to be a level of competition at which two or more manufacturers' products will meet the specifications, terms and conditions of the bid. Competitive bidding requires that all requirements be included in the specifications and the best value is typically **but** not always the low bid meeting specifications. Any considerations other than price must be specifically stated in the bid and must be measured and documented during the evaluation process.

H. Sealed Proposals

Sealed Proposals are typically large dollar purchases and are utilized when several options may meet the College's needs or when other considerations may be more important than price. Specifications are typically limited and a Statement of Work details required specifications and the end result desired. Vendors may submit a variety of possibilities to achieve the desired results. Factors to be used in evaluating the proposals are often included in the Request for Proposal (RFP).

I. Request For Qualifications

Requests for Qualifications (RFQ) is the process the procurement department will employ when securing professional services for the College. The Director of Procurement can solicit specific vendors to submit qualifications in order to determine the best suited supplier of services for the need or demand of the college. For professional services that have a value of less than \$50,000 the Director of Procurement shall notify the firm selected, that they have been selected the most qualified firm and request a cost proposal for review and contract negotiation. A RFQ will be issued for contracts that exceed \$50,000.

J. Competitive Sealed Proposals (Construction Only)

Competitive sealed proposals are used in place of the Request for Proposal process when soliciting proposals for construction.

K. Interagency and Intergovernmental Agreements (IGA's)

The purchase of goods or services from another state agency is handled as an Interagency Agreement and is allowed so long as neither agency exceeds its duties and responsibilities or the limitation of its appropriated funds. The purchase of goods or services from a political subdivision such as a city or College government, school district, or junior or community college is handled as in Intergovernmental Agreement and is allowed so long as neither agency exceeds its duties and responsibilities or the limitation of its appropriated funds. All Intergovernmental Agreements require Governing Board Approval.

1. If Cochise College is the Receiving Agency and will be paying for services, a requisition must be submitted regardless of the dollar amount.
2. If Cochise College is the Performing Agency and will be receiving payment, the department is responsible to complete the necessary paperwork. An Intergovernmental Agreement requires a formal written agreement regardless of the dollar amount.

L. Emergency Purchases

An emergency purchase is defined as an immediate purchase of goods or services so that the College will not suffer financial or operational damage resulting in curtailment or termination of essential services. Director of Procurement or his/her designee, such as a department director or instructional manager, will make arrangements for purchasing necessary materials to resolve such problems. The Director or his/her designee will obtain, whenever practicable, competitive verbal price quotations and place an order with lowest bidder that meets delivery and quality requirements. When practical, the College representative will contact individuals or companies under contract with the State government and will file the following documentation in the office of the Director of Procurement on the next regular business day:

1. Requisition marked "Confirming -- Do Not Duplicate."
2. Tabulation of bids received.
3. Copy of signed delivery receipt.
4. Justification for emergency purchase

An emergency is not a department's failure to follow through with paperwork, but is defined by the answers to the following questions:

1. What is the emergency and/or what caused the emergency?
2. What financial or operational damage will occur if needs are not satisfied immediately?
3. Why could the needs not be anticipated so that proper

procedures could be followed?

If these questions cannot be adequately answered, the purchase cannot be handled as an emergency and will be subject to best value purchasing rules outlined above.

M. Proprietary Product/Sole Source Purchases

Proprietary Source purchasing represents the purchase of a specific item that is available from only one vendor who is the sole manufacturer and distributor of the required item. The end user must submit in writing the justification explaining the need for the item and why only this specific item will meet his/her needs. If an item available from only one source is deemed the only product or service to meet the needs of the College, it may be purchased without competitive procurement. It must be approved by the Director of Procurement for purchases between \$10,000 and \$49,999.99 and approved by the President of the College for purchases between \$50,000 and \$249,999.99 and must have Governing Board's approval for purchases in excess of \$250,000.00.

N. Specifications

Specifications are absolutely necessary for the Procurement Department to successfully complete a competitive bid or competitive sealed proposal. What the Procurement Department buys for the end user will only be as good as the specifications provided. The Procurement Department must know things such as what size, color, speed of function, automation requirements, and anything else that is mandatory to the department's needs. Listing a brand and model is good, but a brand and model number alone does not necessarily meet the specific requirements of the needed purchase. At the same time specifications cannot be so restrictive as to limit the bid to one product or one vendor unless an acceptable Proprietary Product/Sole Source justification is submitted. Only the specifications and best value evaluation criteria listed in a competitive sealed bid may be used to judge the acceptability of, or disqualification of a bid. Any vendor who receives compensation for writing specifications may not be allowed to participate in the solicitation process.

The end user should communicate clearly to the employee that is developing the purchase order or requisition form, the specifications and requirements for the commodity or services needed. A specification is a detailed description of a product or service that a user seeks to procure, and consequently, a description of what a bidder must offer to be considered for an award, or a vendor if awarded a contract, is required to supply. Specifications are the primary means of communicating the requirements expected of the product or services requested. Specifications control the following procurement aspects:

1. the quality of the product
2. the amount of competition
3. suitability of the product or service for the job
4. the method of evaluation used in making an award and in

determining the bid with the best value for the purchase

Where required, an end user shall aid the Director of Procurement in writing competitive specifications based on the following guidelines:

1. Specifications should not limit or eliminate competition unless the proprietary component of the specification is justified;
2. Specifications should incorporate a clear and accurate description of the goods or services to be procured. This description should include:
 - i. a statement setting minimum requirements;
 - ii. the specific features of the goods or services which must be met;
 - iii. language with additions, extensions of the order, escalations, etc.;
 - iv. dates of service or delivery terms for items being purchased, as required;
 - v. minimum essential characteristics and standards of items or services to which they must conform if they are to satisfy their intended use;
 - vi. special clauses for funding purposes, as required;
 - vii. include any written data requirements, if necessary.
 - viii. evaluation factors, which will be used in determining the successful bidder if other factors, will be considered. (warranty information or other value added aspect of the goods or services)

Contractor Insurance Requirements is a required specification when an individual or company will be on this campus performing a service. Please note that the vendor is usually not required to have the insurance prior to bidding, but must provide proof of insurance prior to performing the work.

Note: A user may not expect a vendor to provide any service or item that was not requested in the bid specification.

O. Used Equipment

Used equipment may be purchased if it meets the needs of the college as required by the requester. The purchase of used equipment must be in the best interest of the District and result in a cost savings when compared to the purchase of new or refurbished equipment. A statement containing the following information must accompany the requisition.

1. The requestor has inspected the equipment.
2. The equipment is in proper working order.
3. The equipment meets the needs of the user.

4. It is in the District's best interest to procure the used equipment.
5. A determination as to price reasonableness.

The statement must be reviewed and approved by the Procurement Department. Methods of maximizing competition, within reason, are to be implemented by the Procurement staff with the approval of the Director of Procurement. Purchases of used equipment in excess of \$50,000 must adhere to the competitive bid process.

P. Purchases From Employees

The PURCHASE OF PRODUCTS & SERVICES from employees is prohibited UNLESS the price is equal to or less than that which can be obtained from any other known and ethical source. Documentation showing comparative or bid pricing from a minimum of two other sources is required on any Purchase Order, or voucher submitted to the College for payment.

Q. Federal Grant Funded Purchases

Any purchase made with Direct or Pass Through Federal Grant Funds shall be made in compliance with 2 CFR (Code of Federal Regulations) Part 200 – Uniform Administrative Requirements. No purchase utilizing Federal funds may be made from vendors that are currently included on the Federal Excluded Parties List.

VI. Limits Established for Bidding Requirements

A. Bidding Limits

Purchases up to \$10,000.00 – For Grant reporting “Micro Purchases” for Construction under \$2,000, Non-Construction grant purchases under \$3,000 and non-grant purchases under \$10,000 the budget manager, to the extent practicable, must distribute these purchases equitably among qualified suppliers. Although the College does not require solicitation of comparative prices for purchases under \$10,000.00, the budget manager shall solicit such prices when expedient for the College or when requested by the employee making the purchase.

Purchases with an aggregate value of \$10,000.00 to \$49,999.99 – For purchases with an aggregate value of \$10,000.00 to \$49,999.99, the budget manager shall attempt to secure and record at least three **written** price quotations by mail, email or facsimile and then forward these written quotations to the Procurement Department referencing the requisition number. The budget manager shall provide all firms submitting written quotations with identical information to ensure fair and equal competition. It is not required but recommended that budget managers use the [Request for Quotation Form](#) (See Exhibit A) when requesting written quotations. If there are special circumstance and the department cannot obtain three written quotes, or there are special restrictions on supplies or services. The department can submit a

request in writing to the Director of Procurement for an exemption to this requirement. The Director of Procurement will provide the department with a written determination on their request. If the exemption is granted the reason for the exemption shall be include in the backup information with the Purchase Order.

Purchases of \$50,000.00 and above - For purchases with an aggregate value of \$50,000.00 or greater the College will obtain competitive sealed bids through an RFP process. The competitive sealed bids will be issued through the Cochise College e-Procurement program. The Cochise College e-Procurement program can be accessed through the following link [Cochise College eBid](#). The College prohibits subdividing orders to bypass the requirement for formal bidding. The Director of Procurement or his/her designee shall prepare a recommendation of award of all contracts. Recommendations for award for purchases between \$50,000 and \$249,999.99 shall be submitted to the President or Vice President of Administrative Affairs for approval. Recommendations for award of purchases greater than \$250,000.00 and above shall be submitted to the Governing Board for approval

VII. Exemptions from Bidding or Price Comparisons

The College defines the following additional exemptions from the above bidding or price comparison process:

- Classified Advertising
- Hotels and Conference Rooms
- Conference Expense; expenses related to conference room services such as audio/visual/network and food services.
(Does not include goods purchased for attendees or transportation services.)
- Moving Expenses (employee)
- Student Travel; expenses related to student travel
- Membership fees and dues
- Library materials for Cochise College Library, when such exemption represents the best value to the College
- Newspaper and magazine subscriptions, books, videos and software direct from the publisher
- Freight
- Intra-agency payments
- Rental of exhibit space; i.e., booths for display purposes
- Purchases from Federal agencies
- Utilities
- Goods and services for an organized activity when such exemption represents the best value to the College

VIII. Unauthorized Purchases

An unauthorized purchase is any purchase made in a manner other than the Purchasing Tools described above. Unauthorized purchases present problems and create unnecessary paperwork for the Procurement Department, Accounts Payable, vendors,

end-users and supervisors. **The individual responsible for the unauthorized purchase may be held personally liable for payment.** Any person responsible for initiating an unauthorized purchase (responsibility will be determined by the Department Head, Dean, and/or Vice President) will be held personally accountable until the transaction is resolved. Resolution options are:

To submit a memo signed by the individual, Department Head, Dean, AND the responsible Vice President, which must include:

1. Description of the goods or services purchased;
2. The reason for making the purchase without proper authority/delegation; and
3. Measures that will be taken to avoid recurrence of an unauthorized purchase in the future.

To return goods to the vendor for full credit. The individual may be required to pay restocking fees or other charges, if any.

IX. Special Purchases

A. Information Technologies Equipment/Software Purchases

All purchases of Information Technology Equipment or Software must have approval from the office of the Vice-President of Information Technology before any purchase is made.

B. Professional Services

Professional Service Contracts should be used for the procurement of services, not products or construction/renovation.

Professional Services contracts are to be used only for the following types of services:

1. Physicians
2. Clergy
3. Dentist
4. Legal Counsel
5. Certified Public Accountants
6. Consultants
 - i. Financial
 - ii. Management
 - iii. Real Estate
 - iv. Information Technology

Professional Services Contract shall follow the bidding limits set forth in Section I.

C. Construction

1. Professional Services: When selecting an Architect or Engineer for a construction project the college shall use the Request for Qualifications (RFQ) process. Architects and Engineers shall be selected based on their qualifications. Once the Architect or Engineer has been selected, The Director of Procurement shall negotiate a cost for services based on the scope of work in the RFQ.
2. Construction Procurement: The College shall make construction procurement under one of the following project delivery methods:
 - i. Design-Bid-Build
 - ii. Construction Manager at Risk
 - iii. Design Build
 - iv. Job Order Contracting
3. Bid Bond: Shall be used on all competitive sealed bidding for construction contracts that exceed \$50,000 in value, unless a waiver is deemed appropriate and approved by the Director of Procurement. Bid Bond protects the College against the failure or refusal of the low bidder to supply the necessary performance and payment bonds, as required, and to proceed with the performance under the contract.
 - i. Bid Bond shall be provided by a surety company licensed to conduct business in the State of Arizona.
 - ii. Bid Bond is set at 5% of the bidder's base bid amount. Bid Bond is required to be submitted at the time of the submittal of the sealed bid. If the bidder fails to accompany its bid with bid security, the bid shall be considered non-responsive.
 - iii. A performance bond is required for all construction contracts that exceed \$50,000 in value, in the amount of 100% of the contract price. The performance bond shall be delivered to the College at the same time the contract is executed. If a contractor fails to deliver the performance bond, the contractor's bid shall be rejected, its bid bond shall be enforced, and award of the contract shall be made to the next lowest responsible and responsive bidder.
 - iv. A performance bond protects the College against loss resulting from the failure of the contractor to perform a construction contract in accordance with plans and specifications.
 - v. A payment bond is required for all construction contracts that exceed \$50,000 in value, in the amount of 100% of the contract price. The payment bond shall be delivered to the College at the same time the contract is executed. If a contractor fails to deliver the

payment bond, the contractor's bid shall be rejected, its bid bond shall be enforced, and award of the contract shall be made to the next lowest responsible and responsive bidder.

- vi. A payment bond guarantees payment and protection for those furnishing labor and materials to the contractor or its subcontractors for the work bonded.

D. Furniture

The College will involve representatives from across the District when establishing furniture standards for classroom, office and other furniture, as defined above. All furniture purchases for which standards have been established must comply with those established standards. The Facilities Management department is responsible for approving and implementing all furniture purchases to ensure compliance with established standards. Furniture item purchases for which standards have not yet been established must still be approved by the Facilities Management department to ensure that the item is appropriate for the intended use and consistent with the style, quality and design of standard College furniture.

Furniture may only be purchased on an approved purchase order form or electronic equivalent. Furniture may not be purchased using a P-card, other College credit card, check request or with personal funds for subsequent reimbursement.

X. Rules and Guidelines

A. Deliveries to the Warehouse/Central Receiving

All supplies and equipment purchased for the College are to be delivered to the Warehouse at the Sierra Vista or Douglas Campus to ensure uniform handling of freight claims, accurate entry of receiving information, and necessary elements of institutional control. The following purchases are excluded from this requirement.

1. Items which require installation by the contractor.
2. Items specifically authorized by the Procurement Department.
3. Items marked as Toxic and/or Hazardous Materials.
 - i. These items will be routed to the Warehouse, staff will count the boxes, compare to the receiving report and either direct the delivery company to the department's office to complete the delivery or accept the package(s) and deliver the package(s) themselves. The department will be responsible for opening and inspecting the items. The department will be responsible for notifying the Warehouse staff of any discrepancies or damaged goods.

If the department meets one of the three exemptions stated above, it is the responsibility of the department taking receipt of goods or services to immediately submit direct delivery of goods or services documentation, invoices and payment documentation to the Accounts Payable Department. Timely submittal of receiving information is essential to avoid late payment penalties and to effectively handle freight claims, shortages, or discrepancies.

B. When to Notify the Procurement Department

1. Reporting Vendor Performance-When an ordering department first experiences a relatively minor problem or difficulty with a vendor, the department should contact the Procurement Department. The Procurement Department will immediately contact the vendor to attempt an informal resolution to the problem. If the initial attempt is unsuccessful then the Procurement Department will follow with a written letter to the vendor.
2. Cancellation of Orders-Items or orders may be canceled without the consent of the vendor due to failure to fulfill their contractual obligations. If cancellation is requested by an ordering entity for some other reason through no fault of the vendor, the vendor's permission to cancel is necessary.
3. Shipments from Canceled Orders-Ordering departments are not under any obligation to accept shipments from canceled orders. However, if it is in the ordering department's best interest to accept the shipment, the order should be reinstated. If the ordering department does not want the shipment, then they should notify the vendor and handle it in the same manner they would any item not ordered.
4. Shortages-Any shortages of shipping containers, cartons, etc. are to be noted on the shipping document and the shipment accepted.
5. Inspecting Merchandise-When merchandise is being delivered to a department, under one of the exemptions listed in Section IX, when unpacked, uncrated, etc., it should be checked against a copy of the purchase order for concealed damages, shortages, and compliance with the order's specifications. The carrier cannot be held responsible unless shipments are checked immediately upon arrival, and written reports are made to the carrier within 10 business days of receipt.
6. Substitutions-Substitutions must be approved by the Procurement Department after checking with the ordering department for approval. Failure to Meet Specifications-Notify the vendor in writing and request that the problem be corrected. A copy of all correspondence should be sent to the Procurement Department. If it is a formal bid which was processed by the Procurement Department, the original

notification of failure should be mailed to the vendor by the Procurement Department. Payment to the vendor should be withheld until the merchandise meets or exceeds all specifications without exception.

C. Common Carrier Freight Terms Impact on Claims

1. Free on Board (F.O.B.) Terms-These terms address the risk of loss between the buyer and seller. These terms do not address the freight charges.
2. F.O.B. Destination-The Procurement Department recommends that all orders be placed as "F.O.B. Destination." Under these terms, the risk of loss to goods does not pass to Cochise College until the goods are delivered to the stated destination and the department has accepted the shipment. If goods are not accepted or received, the vendor is responsible for re-shipping new goods at their expense.
3. F.O.B. Origin-The Procurement Department does not normally recommend using "F.O.B. Origin". Under these terms, the risk of loss passes to Cochise College when the carrier picks up the shipment from the vendor. The ordering department is responsible for the merchandise at that point. If the merchandise is damaged or lost in shipment, the ordering department owes the vendor full payment regardless. If there are damages or shortages, the department is responsible for filing any needed freight claims to attempt to recover the damages. If goods must be replaced, a new order must be placed with the vendor.

[Request for Price Quotation Form: Sample Only]

Cochise College Department		
Department Name & Contact	Department Phone #	Department Fax #
Vendor		
Instructions: Fill out form completely and attach any additional pertinent information.		
Name & Address of Vendor:	Vendor Contact Name: Vendor Phone # Vendor Fax #	
<div style="text-align: right;">Sales Tax \$ _____</div> <div>Unless otherwise stated, all prices F.O.B. Destination. \$ _____ TOTAL COST</div>		
Comments/Deviations from specifications	Warranty:	
	Date through which quoted price will be effective	

Return to: _____ or _____ by _____
(Email) (Fax number) (Date and Time)