## **Business and Fiscal Affairs**

## **BP 6340** Formal Bids and Contracts

## Reference:

Education Code Sections 81641 et seq.; Public Contract Code Sections 20650 et seq.; Government Code Section 53060; 2 Code of Federal Regulations Part 200.318 Title 5 Sections 59130 et seq.

**NOTE:** This policy is legally required

Expenditures shall not exceed the approved appropriation as itemized in the official budget unless specifically authorized by action of the Board.

The Board delegates to the Chancellor the authority to enter into contracts on behalf of the district and to establish administrative procedures for contract awards and management, subject to the following:

- Contracts are not enforceable obligations until they are approved or ratified by the Board according to the bidding thresholds.
- Contracts for work to be done, services to be performed, or for goods, equipment or supplies to be furnished or sold to the district that exceed the amounts specified in Public Contract Code Section 20651 shall require prior approval by the Board. When bids are required according to Public Contract Code 20651, the Board shall award each such contract to the lowest responsive and responsible bidder who meets the bidding document requirements and specifications or rejects all bids.
- When the district determines that, according to Public Contract Code Section 20651.7, it can expect long-term savings through the use of life-cycle cost methodology, the use of more sustainable goods and materials, and reduced administrative costs, the district may select and award the contract based on best value in accordance AP 6340. The bidder shall give such security as the Board requires and may reject all bids.
- When the Chancellor, in consultation with appropriate senior administrators, determines that the district can obtain a contract for goods or services through the

California Community Colleges Chancellor's Office College Buys Program for the Procurement of Goods and Services for Community College Districts at a lower price upon the same terms, conditions and specifications, the district may proceed with the contract without conducting a formal bidding process.

Public work contracts that meet the bidding threshold shall be made pursuant to the Uniform Public Construction Cost Accounting Act (UPCCAA), found in the California Public Contract Code Sections 22000 et. Seq. The Board has adopted the Uniform Public Construction Cost Accounting Procedures as set forth in the applicable Board Resolutions.

If the Chancellor concludes that the best interests of the district will be served by prequalification of bidders in accordance with Public Contract Code Section 20651.5, prequalification may be conducted in accordance with procedures that provide for a uniform system of rating on the basis of a questionnaire and financial statements. (Also see AP 6345 titled Bids and Contracts – UPCCAA).

The Board, in accordance with Education Code Section 81655, has approved the following policy sections:

- The Chancellor shall authorize procurement of goods and services under the current purchasing dollar limit threshold in advance of action by the Board. The Chancellor shall report a summary of expenditures on the agenda of the next regularly scheduled public meeting of the Board of Trustees.
- For contract thresholds under the current UPCCAA limits according to adopted Board Resolution 02-1112 the Chancellor shall report such action for ratification by the Board at a subsequent meeting as part of the approval of the commercial warrants register. For contract thresholds within the current UPCCAA limits according to Board Resolution 02-1112, the Chancellor shall be authorized to award contracts in advance of action by the Board. The Chancellor shall report such action for ratification by the Board at a subsequent meeting as part of the approval of the commercial warrants register.
- For contracts that exceed the current UPCCAA thresholds according to adopted Board Resolution 02-1112, a formal bidding process is initiated. In those instances, in which compliance with the State and Federal regulations require that contracts be made by means of advertised bids, the Chancellor shall comply with such regulations. (Also see AP 6340 titled Bids and Contracts)
- If the best interests of the district will be served by a contract or lease through any other public corporation or agency in accordance with Public Contract Code Section 20652, the Chancellor is authorized to proceed with a contract.

Also see BP/AP 6330 titled Purchasing, AP 6340 titled Bids and Contracts, and AP 6345 titled Bids and Contracts – UPCCAA.

**Adopted:** April 1, 2014; Edited November 2016

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