



PURCHASING PROCEDURES MANUAL

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Revised November 2025

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Purpose-driven teaching and learning for Craven County

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OVERVIEW

Craven Community College (CCC)'s purchasing program is based on sound competitive purchasing practices. The importance of seeking competition exists at all levels of expenditure. Fostering competition is an attitude more than a procedure. It is reflected in the way specifications are written, in searching for new sources of supply, in attempting to make procurement documents simple and inviting, and in everyday courteousness shown to prospective suppliers and contractors.

All purchasing for Craven Community College is centralized and processed through the Purchasing and Fixed Assets office. The purchasing function is overseen by the Executive Director of Financial Services within the Division of Administrative Services.

The Purchasing Office operates under the supervision of the Purchasing & Fixed Assets Coordinator. If you have any questions regarding purchasing, please call extension 7263. The Purchasing Office is located within Financial Services in the Brock Administration Building.

Craven Community College, through the NC Community College System, NC Division of Purchase and Contract, and Division of Information Technology, is charged with jurisdiction and control over the specifications to purchase or contract for equipment, materials, supplies and services under the NC General Statutes.

Price is not the only consideration in seeking competition. Other factors include terms and conditions, delivery schedules, lead times, types and degrees of service required, inspection and testing procedures, transportation and delivery costs, warranties and guarantees required, etc.

ETHICS

All public purchasing personnel shall be entirely cognizant of the necessity of ethical behavior.

Everyone involved in the purchasing process is held accountable to the following principles and standards of purchasing practice:

1. The purchasing power of the State shall not be used for private advantage or gain. Employees or other individuals will not process orders for articles for ownership.
2. Avoid the intent and appearance of unethical or compromising practice in relationships, actions and communications.
3. Refrain from any private business or professional activity that would create a conflict between personal interests and the interests of the institution.

4. Refrain from soliciting or accepting money, loans, credits, or prejudicial discounts and the acceptance of gifts, entertainment, favors, or services from present or potential suppliers which might influence or appear to influence purchasing decisions.
5. Do not discuss with suppliers: cost information, bid information or trade secrets.

Handle all information of a confidential or proprietary nature with due care and proper consideration of ethical and legal ramifications and governmental regulations.

Ethical practices are a major concern in the realm of public purchasing. While laws and rules mesh to provide a mechanism for public purchasing, only people can make it work. Impediments to the process must be detected early and safeguards provided at all levels.

INTEGRITY

Fairness and impartiality in all phases of the process are essential ingredients in public purchasing. Integrity is manifested through fairness, openness, honesty, objectivity, and impartiality.

Like other service organizations, the Purchasing Office's justification is the quality of the service it renders. The purchasing process cannot be both effective and self-serving; the two are incompatible. Fairness is required in expending public funds. No matter how strongly a user may prefer a particular product or service to others, equivalent products and services must be given every reasonable consideration.

RESPONSIBILITY

Any Craven Community College contract for the purchase or lease of any commodities, printing, or services, contrary to statutes or rules, such contract/purchase shall be void and of no effect.

In addition, anyone making such illegal purchases is personally liable for the costs incurred.

PURCHASES FROM VENDORS

A requisition must be submitted to and approved by the CCC Purchasing Office *prior* to any goods (supplies, equipment, printing, etc.), or services being charged to the College.

This also includes anything that is ordered on an approval basis. When requesting items on approval, be sure to specify on the requisition that it is being ordered "On Approval". If the item is not kept, notify Purchasing by e-mail, so the order can be cancelled and the funds returned to your departmental budget.

Excluding the Procurement Card, it is illegal to charge items to the College without prior authorization from the CCC Purchasing Office. Anyone doing so can be personally financially responsible for those items purchased.

Employees should not purchase items with their own personal funds expecting to be reimbursed by the College unless a purchase request has been submitted and approved for such. The CCC Purchasing Office has established special procedures for emergency/rush requests that the employee feels need special handling. Check with the CCC Purchasing Office personnel when the need arises. (See section in this manual entitled, “**EMERGENCY AND PRESSING NEEDS REQUESTS**”).

Once the employee has requested permission to purchase an item from his or her department head, and based on the availability of departmental funds, the department head approves the request. The employee should then select the appropriate procurement method as listed below:

E-PROCUREMENT REQUISITIONS

E-Procurement requisitions should be created if the vendor is registered with the N.C. E-Procurement system. To search for vendors, click on the following link:
<https://evp.nc.gov/vendors/>.

PAPER PURCHASE REQUISITIONS

Paper purchase requisitions should be created for all non-E-Procurement vendors.

A requisition must be submitted to and approved by the Financial Services and Purchasing Offices before any supplies, equipment, printing, or other services are charged to the College. This includes anything that is ordered on an approval basis.

Be aware that it is illegal to charge items to the College without prior authorization from the Purchasing Office. Anyone doing so can be held personally financially responsible for those items purchased.

If there is a State Contract for an item, it must be ordered from the State Contract vendor unless it can be sourced less expensively. This is allowed per G.S. 115D-58.14 Purchasing flexibility. Contact the Purchasing & Fixed Assets Coordinator for proper procedures and documentation. When a properly submitted requisition has been received by the Purchasing Office, the order will be processed as quickly as possible. Routine orders are usually processed within two working days. If the department copy of a purchase order (PO) has not been received by the initiator within five working days, and you have ascertained that all approvals have been appropriately entered, please contact the Purchasing office.

Purchase orders to E-Procurement vendors are not normally faxed to vendors by the CCC Purchasing Office. When an E-Procurement requisition is completed by the initiator, the Purchasing Office processes the requisition. A purchase order is created through Colleague via E-Procurement. E-Procurement will transmit (fax or email) the PO to the vendor by whichever means the vendor designated when they registered with the NC E-Procurement system.

The following items may NOT to be charged to State funds:

- Greeting cards or postage to mail them
- Membership dues for individuals
- Refreshments (coffee, cream, sugar, stirrers, cups, bottled water, coffee service, mints (candy), donuts, drinks, etc.)
- Seasonal decorations
- Pictures or wall hangings for the office
- Other room or office decorations, plants/flowers (real or artificial), lamps
- Personal appliances (radios, televisions, coffee makers, microwaves, etc.)
- Alcoholic beverages
- Anything related to Athletics

DELEGATIONS

Dollar Level of Authorization for Equipment and Materials

Craven CC current delegation amount is

\$100,000 Non-IT

******No Exceptions due to fund source******

NON-IT PURCHASES

\$100,001 AND GREATER: (Non-State Contract items) Purchases must be referred to the Division of Purchase and Contract for an Invitation for Bid or requests for waiver by the Craven CC Purchasing Office.

\$31,000-\$100,000: (Non-State Contract items) Purchases require written solicitation of competition or a collaborative requisitioning request is to be issued. These written solicitations, or Requests for Bids (RFB), must be generated by Craven CC Purchasing Office and submitted to the appropriate vendors.

\$0-\$30,999: (Non-State Contract items) No competition required. However, seeking competition is highly encouraged, and users should document pricing/quotes. Use of HUB vendors is encouraged.

IT PURCHASES

CCC is identified by the State of North Carolina as a Local Government Entity (NCGS § 143B-1320(a)(13)) and therefore is not subject to mandatory use of the Information Technology Procurement Rules. CCC has adopted State policy that any IT item less than \$25,000 is considered a small IT purchase. Competition is encouraged but not required for anything greater than \$25,000. NC DIT has offered their services to local government entities, and CCC utilizes them for purchases that are more complex and for their legal expertise as needed.

PURCHASES GREATER THAN \$100,000 (EXCLUDING TAX)

Purchases over \$100,000 must be referred to the Division of Purchase and Contract (P&C) for non-IT related items for an Invitation for Bid (IFB) or Request for Waiver of Competition generated by the CCC Purchasing Office. P&C is authorized by Administrative Rule to inquire into the need for, and the level of quality of, the items and services requested.

1. Invitation for Bid

- When the Division of Purchase and Contract receives the purchase requirements, specifications are reviewed for completeness and accuracy. The minimum IFB cycle time is 45 days. This cycle time, depending on the completeness of specifications or complexity of requirements, could easily be extended 6-8 months.
- After proposals are completed and received at P&C they are forwarded to CCC Purchasing for review. Depending on the commodity, the CCC Purchasing Office will recommend a supplier for contract award or contact the requesting department for input.
- Once CCC recommends a supplier for contract award, a written request goes before the State Board of Award for approval.

2. Request for Waiver

Depending on the circumstances, a written Request for Waiver of Competition can be submitted for approval. It is imperative that a strong case be drawn up before such request is forwarded. The CCC Purchasing Office makes the final decision whether a Request for Waiver is constituted.

PURCHASES \$31,000 TO \$100,000 (EXCLUDING TAX)

Purchases between \$31,000 and \$100,000 require an Invitation for Bid. This written solicitation must be generated by the CCC Purchasing Office and must include terms and conditions applicable to the requirement. IFBs are posted to the NC Division of Purchase and Contract's Interactive Purchasing System (IPS) for a minimum of 10 business days, depending on the complexity of the request, for solicitations. **After the bid has been posted, the requestor shall not have any contact with any vendor or perspective vendor associated with the bid request. Any vendor requests for information should be advised to e-mail the Purchasing Agent.** Depending on the nature of the bids, a pre-bid site conference may be deemed necessary to make vendors aware of certain factors which may affect bidding. Once proposals are received in the CCC Purchasing Office, they are filed away until the advertised date and time of bid opening. Once the Purchasing Office has conducted the bid opening on the designated date, the requestor will be notified to review the bids and select a vendor. In most cases, the vendor with the lowest bid will be awarded the bid provided all criteria within the bid document specifications have been met. In rare cases when the vendor with the lowest bid is not awarded the contract, justification must be provided as to why that vendor was not awarded the bid. The final decision for contract award rests with the CCC Purchasing Office.

If the initiator deems the purchase to be a sole source, then a memo from the vendor stating their sole source status should be obtained and forwarded to the Purchasing Office. Additionally, "sole source" should be entered in unprinted comments on the EP requisition or send an e-mail and reference the number of the requisition with the information that they are a "sole source". If the vendor is deemed to be a sole source, then the CCC Purchasing Office will issue an RFQ to the vendor for completion. There are **NO** exceptions due to fund source and the final decision for contract award rests with the CCC Purchasing Office.

PURCHASES \$30,999 AND LESS (EXCLUDING TAX)

Competition is not required, but good purchasing practice suggests that it should be solicited wherever possible and documented on the face of the requisition. No written quotations are required, however all transactions must be documented. Written reasons for emergency or pressing need shall also be made a matter of record by attaching a written explanation. All documents related to the purchase request should be electronically attached to the requisition in E-Procurement. The final decision for contract award rests with the CCC Purchasing Office.

Purchasing requirements cannot be divided in order to keep them under the established expenditure delegation amount.

Lack of Competition

The purpose of soliciting offers is both to seek and obtain competition; the responsibility is dual. Where only a single offer or a single acceptable offer is received or where reasonable and

available competition is not obtained, **the reason shall be ascertained and made a matter of record.**

When an item being requested is available only from a “sole source” or the item being purchased is “brand specific,” justification must be presented to the Purchasing Agent in writing for this purchase. The Purchasing Agent will present the justification to the Division of Purchase and Contract to ask for a Waiver of Competition, based on the facts presented. When certification (approval) is received from the Board of Awards, the requestor will be notified to prepare an E-Procurement requisition. Vendors of sole source item(s) will be required to sign an IFB. This requires the vendor to agree to the state’s Terms and Conditions. The lead time required for this type of purchase is 60-90 days. **No exceptions are made due to fund source.**

Contracted Services

Generally, terms of service contracts should not exceed a one-year term; however, an exception to this rule occurs where a vendor must make a significant investment in equipment to perform the service. In these cases, a contract term with an initial one-year term, with renewals up to three years, may be considered.

Returning Products to Supplier

The CCC Purchasing Office must be notified prior to returning or exchanging any merchandise with a supplier within 48 hours of receiving the merchandise. Permission to return must be granted by the supplier. Information required to obtain return authorization includes, but is not limited to:

1. Purchase order number
2. Item number on the purchase order
3. Description of item to be returned
4. Quantity to be returned
5. Reason for return
6. Replacement or refund requested.

PROTEST PROCEDURES

CCC conducts its Purchasing Contract Bid Protest Procedure in accordance with NCGS 145-53 and 01 NCAC 05B.1519. Following a purchasing or contract bid award made by the College, a non-awarded vendor may submit a Purchasing/Contract bid protest. For the purposes of this procedure, a “vendor” is defined as a contractor, supplier, bidder company, independent contractor, firm, corporation, partnership, individual or other entity who submitted a response to a College solicitation.

Vendors eligible to protest an award are those whose bid complied with the terms of the College’s solicitation, including but not limited to, having been submitted timely. A written

letter protesting the award and requesting a protest meeting must be received by the College within (30) calendar days from the date of the contract to be considered.

Purchasing Contract Bids Under \$100,000

If the contract is valued under \$100,000.00, then the written request for a protest meeting is sent directly to the College's Purchasing & Fixed Assets Coordinator.

- In addition to being timely, the vendor's request must contain specific reasons for why there is a concern with the award and include applicable supporting documentation.
- The Purchasing & Fixed Assets Coordinator shall furnish a copy of the protest letter to the State Purchasing Officer (SPO) within five (5) calendar days of receipt.
- The Purchasing & Fixed Assets Coordinator may reject the meeting request if the protest is not timely, does not contain the required information, or the protest is meritless.
 - The Purchasing & Fixed Assets Coordinator will respond within fifteen (15) calendar days of the receipt of the letter advising the vendor that no meeting will be held.
- If the protest meeting is granted, it must occur within thirty (30) calendar days after receipt of the protest, or as soon as possible thereafter.
- Within ten (10) calendar days from the protest meeting, the Purchasing & Fixed Assets Coordinator will notify the vendor in writing with his/her decision and appeal rights in accordance with NCGS 150B, Article 3.
 - A copy of the decision letter will be forwarded to the SPO.

End-User Disputes

To avoid end-user disputes after receipt of goods or services, the Purchasing Office will work closely with the end-user to be sure that product descriptions, specifications, etc. will meet the needs of the end-user. The Purchasing Office will have the end-user review quotes or bids received to provide input prior to the actual award of the contract.

In the event that the end-user does have a dispute, the end-user will notify the supplier and the Purchasing Office of the problem. The end-user will make every effort to resolve the issue directly with the supplier. If no resolution is reached, the end-user will request the Purchasing Office to become involved. This request must include the purchase order number, the supplier's name, contact name, a description of the problem, and an outline of what has taken place to date. Purchasing will then take the lead in reaching a resolution that is in the best interest of CCC.

EMERGENCY AND PRESSING NEED REQUESTS

EMERGENCY REQUESTS

Only those situations that endanger life or property are considered "emergencies." Such instances are rare and will be handled in an appropriate manner. Contact Purchasing, Campus Police, and/or Facilities immediately, as appropriate, should such a situation arise.

PRESSING NEED REQUESTS

“Pressing need” requests are defined as those that arise from unforeseen causes, such as the breakdown of machinery or equipment. Lack of planning is not an acceptable reason for a “pressing need” request. Such requests will be handled through normal operating procedures.

The following procedures for handling “pressing need” requests have been established by the Purchasing Office:

An approved E-Procurement or paper requisition should be forwarded to the Executive Director of Financial Services or their designee for approval. The request will then be forwarded to the Purchasing Office. “Pressing need” requests will not be honored without a properly submitted requisition. If approvals are required, approvers should be notified immediately to make them aware that a requisition has been created and requires their approval. The Purchasing Office should be contacted to make them aware of the situation. If the exact cost of an item is impossible to ascertain in advance or time does not permit, an estimated cost is to be entered on the requisition. However, reasonable effort should be made to obtain the correct cost, before submitting the request.

All requests not deemed “emergency” or “pressing need” are handled through regular processing procedures. Please do not ask for special handling of your requests as this is unfair to those who have submitted their requests in a timely manner. Except during heavy ordering periods, such as prior to and at the beginning of each semester, the end of the fiscal year, the March 31st approximate deadline for purchase requests, or during computer down times, most *routine* requisitions are processed within two days after they are received.

STATE TERM CONTRACTS

A “term contract” is a contract intended to cover normal requirements for a commodity, printing, or contractual service for a specified period of time based on predicted usage. These contracts are established by the Division of Purchase and Contract. Craven Community College is required by General Statute 115D-58.5 to purchase all supplies, equipment, and materials by contracts made by or with the approval of the Division of Purchase and Contract of the NC Department of Administration. Users have several options to view contract items. First, they can click on the following link to search all non-IT state contracts:

<https://www.doa.nc.gov/divisions/purchase-contract/statewide-term-contracts>

Another option to search for contracts is through E-Procurement.

There are two basic types of term contracts:

- “Statewide term contract” is established by P&C for agency use.
- “Agency specific term contract” is established by P&C for use by an agency when a commodity, printing, or service is not covered by a statewide term contract, and the contract value exceeds the agency’s delegation.

Most of the statewide term contracts for commodities specify a minimum and maximum quantity (or dollar amount). Orders below the minimum shall be obtained in accordance with agency procurement procedures. Orders that exceed the maximum quantity must be forwarded to P&C for processing. For needs that exceed the maximum, P&C will determine if the order should be placed with the contractor at the contract price, negotiate the price with the contractor, or solicit new offers for the requirement. In all cases, follow the instructions which will vary by contract or call the P&C purchaser for guidance.

If a waiver, emergency purchase, or pressing need arises, a term contract supplier should be given the opportunity to satisfy the requirement, if the requirement is covered by a term contract and time permits such action.

INSPECTIONS

Wake Technical Community College is under contract with the NCCCS to provide Quality Acceptance Inspections and training for the 58 community colleges in North Carolina. These inspections will ensure that certain purchased items comply with the purchase order/contract and have the appropriate safety standards label affixed.

The Purchasing Office must provide an expeditious goods inspection prior to remitting payment. The vendor must be notified promptly when latent or other defects are discovered. In the event the vendor fails to remedy the condition reported, and the contract was handled by the Division of Purchase and Contract, the matter shall be referred to the Division of Purchase and Contract.

SPECIAL DELEGATIONS

By special delegation, the State Purchasing Officer may authorize an agency to purchase specific commodities, printing, or contractual services without limitation as to the expenditure. Such delegation is normally confined, but not limited, to items and quantities, or services which by their nature or circumstance, such as perishability, transportation costs, local conditions or local availability, would serve no practical purpose to be handled by P&C.

Some special delegations apply to all agencies, and some are agency specific. All delegations shall be in writing and made a matter of record. For special delegations applying to all agencies, the publishing of them in this manual is the written approval. Unless otherwise specified by the SPO, special delegations are subject to all the following conditions:

1. All commodities and contractual services covered by term contracts must be purchased in accordance with the instructions of each term contract.
2. Competition must be solicited where available. If competition is not available, the reason(s) must be documented in the procurement file.
3. Agencies are required to issue their own solicitation documents. This shall apply to a waiver.
4. The solicitation document shall include terms and conditions and any other consistent contract language, issued by the SPO, unless prior approval from the SPO is granted.
5. All transactions shall be documented.
6. The awarding of contracts under a special delegation shall be the responsibility of the agency's Executive Officer. However, the SPO may require that offers received under such delegations be sent to P&C for determination of the successful contractor.
7. Any controversial matter arising from a special delegation must be brought to the attention of the SPO.
8. Specific delegations may be subject to additional conditions as determined by the SPO. These conditions shall be submitted to the agency in writing.
9. P&C shall periodically review its special delegations to ascertain the availability of these items or services and their continued suitability for delegation.

List of Special Delegations

These delegations apply to all agencies; however, competition shall be sought where available.

1. Repairs (Non-Construction): Purchasing authority for repairs handled by private sector personnel, regardless of cost, is delegated to Craven CC. Where materials are being purchased for a repair and using Craven CC personnel will perform the needed repair, the purchase of the materials must be handled in accordance with normal purchasing procedures outlined in this manual.
 - **NOTE:** Where any structural changes are to be made in or to an agency-owned building, the proposed project should be handled in accordance with construction statutes and rules applicable to each agency. (See G.S. 143-129 concerning building repairs and renovation)
2. Feed: Authority to purchase feed, including special ingredients, is delegated to using agencies which are engaged in the feeding of animals, poultry, and fish.
3. Animals, Poultry and Fish: Authority is delegated to purchase animals, poultry and fish.
4. Athletic Apparel: Authority to purchase athletic apparel is delegated to using agencies. In the purchase of athletic apparel, there are certain considerations regarding the safety of the athlete, which should remain within the control of the using agency's officials.
5. Maintenance of Aircraft: All aircraft maintenance and repair (see Repairs - Non-Construction) whether unexpected or scheduled, is covered by this delegation. This does not include the purchase of equipment, materials, or supplies for the aircraft that is separate and apart from the maintenance or repair being performed.

6. **Playground Equipment (Structures):** Where the purchase of playground equipment is being handled as a commodity purchase vs. a construction project, the authority to purchase such playground equipment and its installation is delegated to the using agency.
7. **Ready-Mix Concrete:** Where the purchase of ready-mix concrete is being handled as a commodity purchase vs. a construction project, the authority to purchase such ready-mix concrete is delegated to the using agency.

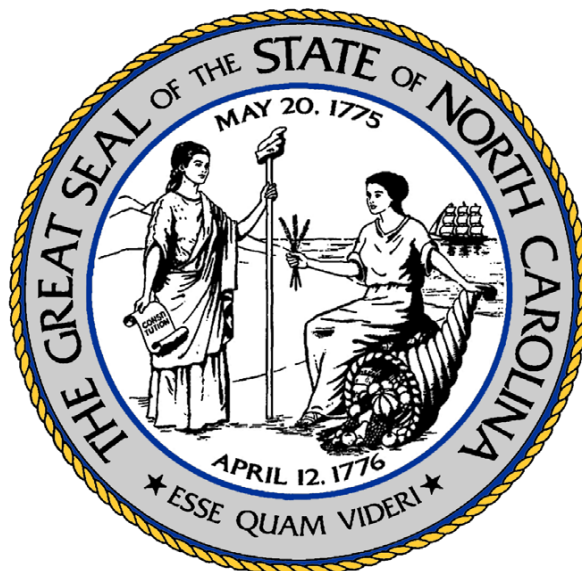
DEBARRED VENDORS

Debarred vendors are not entitled to enter into contracts with the state, per 01 NCAC 05B.1520. It is critical to check whether a potential vendor is listed on the state's debarred vendor list before they are selected for award. If a solicitation is funded by federal grants, consulting the federal debarred vendor list may also be required

State IT Contracts

Like the Division of Purchase and Contract, the Statewide IT Procurement Office has established Statewide IT Contracts to cover normal requirements for an IT related commodity or contractual service for a specified period of time based on predicted usage. Craven Community College is not mandated by law to utilize these contracts, but they should be the first source of supply. These contracts have already been competitively bided. To search for IT related items on contract, click the following link: <https://it.nc.gov/services/statewide-it-contracts>.

- Vendors listed on the contract may be contacted for product and pricing information.
- All state contract vendors must be registered for E-Procurement. On the EP requisition, the contract number should be listed under the Line Item Details section in the Contract field.
- When a state contract item is being purchased using the VISA P-Card, make certain that you receive the State IT Contract pricing. There should only be an additional charge for shipping if your order falls below the minimum requirement.



STATUTORY AUTHORITY, EXECUTIVE ORDER & NC ADMINISTRATIVE CODE

North Carolina General Statute **115D** governs the purchasing policies and procedures that the Craven Community College Purchasing Office must adhere to when processing requests for goods and/or services.

G.S. 115D-58.5. Accounting System

(a) “Each institution shall establish and maintain an accounting system consistent with procedures as prescribed by the Community Colleges System Office and the State Controller, which shows its assets, liabilities, equities, revenues, and expenditures.”

(b) “Each institution shall be governed in its purchasing of all supplies, equipment, and materials by contracts made by or with the approval of the Purchase and Contract Division of the Department of Administration except as provided in G.S. 115D-58.14. No contract shall be made by any board of trustees for purchases unless provision has been made in the budget of the institution to provide payment thereof. In order to protect the State purchase contracts, it is the duty of the board of trustees and administrative officers of each institution to pay for such purchases promptly in accordance with the contract of purchase. Equipment shall be titled to the State Board of Community Colleges if derived from State or federal funds.”

(c) “The operations of each institution shall be subject to oversight of the State Auditor pursuant to Article 5A of Chapter 147 of the General Statutes.”

Additionally; with centralized purchasing, conflict of interest, budget, and legal compliances can be closely monitored for adherence through internal controls.

PURCHASING FLEXIBILITY

G.S. 115D-58.14. Purchasing Flexibility

a) *“Community colleges may purchase supplies, equipment, and materials from noncertified sources that are available under State term contracts, subject to the following conditions:*

- 1. The purchase price, including the cost of delivery, is less than the cost under the State term contract;*
- 2. The cost of the purchase shall not exceed the bid value benchmark established under G.S. 143-53.1; and*
- 3. The items are the same or substantially similar in quality, service, and performance as items available under State term contracts.”*

Substantially similar is defined as having comparable, but not identical characteristics in terms of quality, service and performance as items available under State term contracts.

DEPARTMENT OF CORRECTIONS

G.S. 148-134 Preference for Division of Prisons of Department of Adult Correction products

“All departments, institutions, and agencies of this State that are supported in whole or in part by the State shall give preference to Correction Enterprises products in purchasing articles, products, and commodities that these departments, institutions, and agencies require and that are manufactured or produced within the State prison system and offered for sale to them by Correction Enterprises. No article or commodity available from Correction Enterprises shall be purchased by any State department, institution, or agency from any other source unless the prison product does not meet the standard specifications and the reasonable requirements of the department, institution, or agency as determined by the Secretary of Administration or the requisition cannot be complied with because of an insufficient supply of the articles or commodities required. The provisions of Article 3 of Chapter 143 of the General Statutes respecting contracting for the purchase of all supplies, materials, and equipment required by the State government or any of its departments, institutions, or agencies under competitive bidding shall not apply to articles or commodities available from Correction Enterprises...”

Printing

01 NCAC 05B .0301 CONTRACTING REQUIREMENTS states rules applying to service and printing contracts do not apply to local school administrative units or community colleges.

A complete listing of all products and services available from the Department of Corrections is available at the following site: <https://www.correctionenterprises.com/>.

HISTORICALLY UNDERUTILIZED BUSINESS PROGRAM

G.S. 143-48. State policy; cooperation in promoting the use of small minority, physically handicapped and women contractors; purpose; required annual reports.

(a) "Policy. - It is the policy of this State to encourage and promote the use of small contractors, minority contractors, physically handicapped contractors, and women contractors in State purchasing of goods and services. All State agencies, institutions and political subdivisions shall cooperate with the Department of Administration and all other State agencies, institutions and political subdivisions in efforts to encourage the use of small contractors, minority contractors, physically handicapped contractors, and women contractors in achieving the purpose of this Article, which is to provide for the effective and economical acquisition, management and disposition of goods and services by and through the Department of Administration."

Listings of these "Historically Underutilized Businesses" or "HUB" vendors can be accessed via <http://ncadmin.nc.gov/businesses/hub>. Once there, scroll down and click on HUB Vendor Search.

"HUB" vendors can be searched on via company name or commodity code. To search by company name, simply type in the name of the company in the field provided and click on search. To search on commodity code, scroll down to the commodity code field and click on the down arrow. Choose the commodity code then click search. A listing of vendors will then be provided.

Please refer to these lists when selecting vendors for purchases. CCC is required to file quarterly reports with the State showing the total purchases from "HUB" vendors.

RECYCLED OR RECYCLED CONTENT PRODUCTS

G.S. 130A-309.14. Duties of State agencies

(a1)(b) "The Department of Administration shall require the procurement of these supplies and products to the extent that the purchase or use is practicable and cost-effective. The Department of Administration shall require the purchase or use of remanufactured toner cartridges for laser printers to the extent practicable."

G.S. 143-58.2. State policy; bid procedures and specifications; identification of products

(a) " It is the policy of this State to encourage and promote the purchase of products with recycled content. All State departments, institutions, agencies, community colleges, and local school administrative units shall, to the extent economically practicable, purchase and use, or require the purchase and use of, products with recycled content."

G.S. 143-58.3. Purchase of recycled paper and paper products

"In furtherance of the State policy, it is the goal of the State that each department, institution, agency, community college, and local school administrative unit purchase paper and paper products with recycled content according to the following schedule:

- ...
4. *At least fifty percent (50%) by June 30, 1997, and the end of each subsequent fiscal year."*

In conjunction with the State policy, it is the policy of CCC to encourage the purchase of products with recycled content whenever feasible. The Purchasing Office will make you aware as new recycled-content items become available on State Contract.

The Purchasing Office is required to report on an annual basis, the dollar amount of purchases spent for recycled products.

EXECUTIVE ORDER NO. 50 (PRICE-MATCHING PREFERENCE)

Pursuant to North Carolina General Statute § 143-59 (G.S. § 143-59) and Executive Order No. 50 issued by Governor Perdue on February 17, 2010, entitled "Enhanced Purchasing Opportunities for North Carolina Businesses," a price-matching preference may be given to North Carolina resident bidders on contracts for the purchase of goods. This preference will allow a qualified North Carolina resident bidder to match the price of the lowest responsible nonresident bidder, if the North Carolina resident bidder's price is within five percent (5%) or \$10,000, whichever is less, of the nonresident bidder's price. **If the resident bidder requests and qualifies for the price-matching preference, the resident bidder will first be offered the contract award and will have three (3) business days to accept or decline the award based on the lowest responsible nonresident bidder's price.**

Executive Order No. 50 applies to procurements from the Governor's Office, Cabinet Agencies (i.e. Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, and Transportation), Universities and Community Colleges and all procurements handled by the Division of Purchase and Contract. All other State Agencies are encouraged to implement the requirements of the Executive Order No. 50 and vendors should contact these State Agencies to determine whether they have adopted and implemented Executive Order No. 50.

EXECUTIVE ORDER NO. 24 GIFT BAN

It is unlawful for any vendor or contractor (i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Office of the Governor and Governor’s Cabinet Agencies (i.e., Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, and Transportation). This prohibition covers those vendors and contractors who:

1. have a contract with a governmental agency; or
2. have performed under such a contract within the past year; or
3. anticipate bidding on such a contract in the future.

Executive Order No. 24 also encouraged and invited other State Agencies to implement the requirements and prohibitions of the Executive Order to their agencies. Vendors and contractors should contact other State Agencies to determine if those agencies have adopted Executive Order 24.”

EXPENDITURE OF FUNDS FROM DIFFERENT SOURCES

01 NCAC 05B .1505 Funds from different sources

(a) “All public funds irrespective of source, whether special, federal, local, gifts, bequests, receipts, fees or State appropriated, used for the purchase, rental, lease, installment purchase and lease/purchase of commodities, printing and services shall be handled under the provision of Article 3 of G.S. 143 and in accordance with rules adopted pursuant thereto by the Division of Purchase and Contract.”

(b) “Rules applying to service, rental, lease, and printing contracts do not apply to local school administrative units or community colleges.”

PURCHASING FROM OR THROUGH AGENCY EMPLOYEES

01 NCAC 05B .1509 Purchasing from or through agency employees

“Every reasonable effort shall be made to avoid making purchase from or through employees of any agency. Prior written approval from the SPO is required in any instance which may develop of doing business with such personnel. In deciding whether to grant approval, the SPO shall consider the type item or service needed, the prevailing market conditions, whether competition is available, the cost involved, and the effects of doing business with the employee.”

Craven Community College vendors cannot be an agency employee or immediate family member of an employee living in the same household. It is considered a conflict of interest for an employee to be a vendor.

If a Craven Community College employee is aware of a violation of this statute, please report it to the Purchasing & Fixed Assets Coordinator immediately.

REMOVAL OF CERTAIN ITEMS FROM GENERAL CONSTRUCTION

01 NCAC 05B .0701 Removal of certain items from general construction

“Every agency shall review the items being included in a construction/renovation project and remove any items that it considers are non-related to the actual construction/renovation of the building. Items that are considered commodities or just furnishings, and that would complete the project for use by the agency, shall be handled in accordance with the rules of this Chapter. Items that are usually removed for construction/renovation projects include carpet, office panel systems, food service equipment, and furniture. If an agency determines that one of these items, or any item that is normally handled as a commodity purchase, is best suited for inclusion in the construction/renovation project, the agency's justification shall be documented in writing for public record.”

WAIVER OF COMPETITION

01 NCAC 05B .1401 Policy

“Under conditions listed in this Rule, and otherwise if deemed to be in the public interest by the SPO or the agency, if under its delegation or benchmark, competition may be waived.”

For a list of conditions that permit a waiver, including but not limited to those listed, please click on the following link:

<http://reports.oah.state.nc.us/ncac/title%2001%20-%20administration/chapter%2005%20-%20purchase%20and%20contract/subchapter%20b/01%20ncac%2005b%20.1401.pdf>

If a Waiver of Competition is being requested for one of the reasons above, the justification must be entered in unprinted comments on the requisition, or an e-mail may be sent to the Purchasing Office referencing the requisition number. The Purchasing Office reserves the right to waive competition as well as seek additional justification for any request for Waiver of Competition.

EXEMPTIONS

01 NCAC 05B .1601 Exemptions

“Except as provided in Paragraph (c) of this Rule, it is not mandatory for the items and services listed in this Rule to be purchased through the Division of Purchase and Contract”

For a list of items and services that may be purchased outside of the Division of Purchase and Contract, please click the following link: <http://reports.oah.state.nc.us/ncac/title%2001%20-%20administration/chapter%2005%20-%20purchase%20and%20contract/subchapter%20b/01%20ncac%2005b%20.1601.pdf>

[%20administration/chapter%2005%20-%20purchase%20and%20contract/subchapter%20b/01%20ncac%2005b%20.1601.pdf](#)

COLLEGE CREDIT CARD PROCESSES & CONTROLS

The primary purpose of the College Credit Card (aka Procurement Card) is to assist and procure travel, meals, and small purchases/services in which a credit card is required. All uses of the credit card are to be in accordance with Board Policy 5.2, *Purchasing Policy* and College Procedure 5.2.2, *College Credit Cards*.

Card Application and Issuance

Under normal circumstances, College Credit Cards are only issued to selected administrators, the Executive Leadership Team (ELT), and the Purchasing & Fixed Asset Coordinator. Exceptions may be granted in special situations as approved by the Executive Director of Financial Services and the Vice President for Administration.

- The person requesting a College Credit Card must obtain approval from their division Vice President via their immediate supervisor and reporting chain with justification for the need.
- If approved, the Division Vice President will forward an email to the Purchasing & Fixed Asset Coordinator, copying the Vice President for Administration.
- Upon approval, the Purchasing & Fixed Asset Coordinator will notify the prospective cardholder that they were approved to become an approved card holder.
- The prospective cardholder will be required to complete Form 5.2.2.1a, *Procurement Card Cardholder Agreement*, acknowledging their understanding of the authorized uses of the card and the responsibilities of being a cardholder.
- The Purchasing & Fixed Asset Coordinator will complete the process of obtaining a card for the new cardholder.
- Once the card is received, the Purchasing & Fixed Asset Coordinator will issue it to the cardholder.
-

Using the College Credit Card

Prior to using the College Credit Card, cardholders are responsible for ensuring that they follow all policies and procedures pertaining to its use and must confirm that the vendor accepts the card prior to making a purchase.

When making purchases that require shipping, all merchandise, equipment, services, or others must be delivered to a campus location (e.g., not a personal residence).

If, for any reason, the purchases are not received, the cardholder is responsible for contacting the vendor to inquire about the status of the order. If necessary, the cardholder is responsible for obtaining a refund for the purchase and monitoring credit card statements to ensure the credit was provided. This also applies to cases where the items purchased are received damaged or defective.

All invoices, receiving documents, credit memos, and itemized charge receipts for “over the counter” purchases should be kept with the “Procurement Card Statement” form. A thorough reconciliation should be conducted each month upon receipt of the College Credit Card statement to ensure the purchases match what was expected to be on the statement.

If the cardholder believes a charge should be disputed, they should contact the Bank of America customer service line at (888) 449-2273 and follow their instructions. If these disputes cannot be resolved directly with Bank of America, the cardholder will call the Purchasing & Fixed Asset Coordinator at (252) 638-7263 or (252) 635-3785. If a vendor dispute cannot be resolved satisfactorily, all College credit cardholders will be notified the vendor is no longer authorized for use purchases using a College Credit Card.

Acceptable Uses of the College Credit Card

The following are acceptable uses of the College Credit Card. Cardholders shall:

- Comply with all State Purchase and Contract guidelines contained in the ICP 5.2.1.2, *Purchasing Procedures Manual*;
- Use the College's E-Procurement system and "paper" purchase orders before using the College Credit Card;
- Contact the Purchasing & Fixed Asset Coordinator for proper procedures and documentation prior to making purchases for items or services that are in immediate need, where using the normal process through E-procurement/purchase orders is not a viable option. Cardholders may not use this process to circumvent the normal purchase processes;
- Make purchases that are under \$2,500 per individual transaction, including NC State Tax, applicable freight/shipping, and/or installation charge; purchases above this threshold must be pre-approved by the Purchasing & Fixed Asset Coordinator;
- Inform the vendor that the purchase is to be taxed at the current rate even if the item is sold tax exempt;
- Register for on-campus or on-line training (webinars) provided there is no travel involved;
- Ensure the applicable department budget availability to cover the purchase being made; failure to do this may result in the department having budget taken away from another area to cover the shortage;
- Ensure all online or over the counter purchases must be immediately available; the cardholder is not authorized to purchase things that will be back ordered;
- Obtain the best value for the College by using "preferred suppliers" as identified by the Purchasing & Fixed Asset Coordinator;
- Seek competition to obtain the best value for the College;
- Report equipment repair needs to the Purchasing & Fixed Asset Coordinator prior to having repair work contracted or completed using the College Credit Card.

Unacceptable Uses of the College Credit Card

The following are unacceptable uses of the College Credit Card. Cardholders shall not:

- Make credit card purchases for items in which a state contract exists;
- Split purchases into multiple transactions such that established purchasing limits or state purchasing guidelines are circumvented;
- Back order purchases of any kind;
- Draw cash advances;
- Purchase alcoholic beverages;

- Purchase phone cards, make phone calls using the card, or pay monthly phone charges;
- Purchase equipment of any value without pre-approval from the Purchasing & Fixed Asset Coordinator;
- Purchase furniture of any value without pre-approval from the Purchasing & Fixed Asset Coordinator;
- Purchase computer equipment of any kind or any value without pre-approval from the Purchasing & Fixed Asset Coordinator;
- Purchase television, audio visual equipment, cameras, or other items classified as high-theft items of any value without pre-approval from the Purchasing & Fixed Asset Coordinator;
- Purchase fax machines, copiers, answering machines, telephones, copiers, or printers of any value without pre-approval from the Purchasing & Fixed Asset Coordinator;
- Purchase contracted services (1099 vendors) without pre-approval from the Purchasing & Fixed Asset Coordinator.

Procurement Card Statement

College Credit Cardholders are responsible for reconciliation of the monthly credit card statement upon receipt. Cardholders are required to retain all itemized receipts for documentation and reconciliation purposes. Restaurants do not normally provide an itemized receipt unless requested – cardholders must do so. All original receipts are attached to Form 5.2.2.1b, *Procurement Card Statement Form*, and turned into the Purchasing office monthly, no later than the 15th or the first working day following the 15th. Failure to submit the monthly statement with all receipts without prior approval may result in the suspension or revocation of card privileges.

- The Procurement Card Statement should be completed as follows:
 - Enter the statement closing date;
 - Enter the cardholder name;
 - If there are any charges to the State, Special, College Foundation, and/or County funds, the cardholder must fill out a separate Credit Card Usage form for each fund;
 - Enter the budget code. If there is a new budget code entered that is not in the cardholders' chart of accounts, notify the College Controller in Financial Services to set up the account;
 - Enter the transaction date;
 - Enter the vendor's name;
 - Enter a brief description of the items purchased. If the cardholder has purchased food, state the reason (for example, advisory committee meeting) and the date of the event;
 - Enter the amount of the purchase;
 - Enter the total purchased in the areas provided;
 - Cardholder should sign and date the statement;
 - Cardholder's supervisor should sign and date the statement if required. If there are other approvals required in the cardholder's area, the statement should be signed by the appropriate personnel.
- The Purchasing office will email a statement of all monthly charges to each cardholder to assist them with submitting the Procurement Card Statement and all receipts on the first workday of every month.

Secondary Use Authorization

In some cases, executive level personnel may authorize specific members of their team to utilize the card on his/her behalf. For example, an Executive Administrative Assistant may be authorized to use a Vice Presidents card. This authority is given at the discretion of the cardholder however, the cardholder must acknowledge responsibility and understanding of associated risks by completing the Secondary Use Authorization section on Form 5.2.2.1a, *Procurement Card Cardholder Agreement*.

Lost or Stolen Cards

College Credit Cardholders are solely responsible for the protection and security of their card. Should the card become lost or stolen, the cardholder must immediately notify the Purchasing & Fixed Asset Coordinator. If the Purchasing & Fixed Asset Coordinator cannot be contacted, the cardholders will directly notify the Bank of America office at (888) 449-2273.

Credit Card Recovery

In the event of retirement, termination, or resignation, the cardholder account access will be terminated, and the procurement card must be returned to the Purchasing & Fixed Asset Coordinator along with a completed Procurement Card Statement form. The statement will include all pending receipts. The Executive Director of Financial Services will sign the form after verifying all charges were authorized and properly recorded.

COMPUTERS, MAJOR EQUIPMENT, AND FURNITURE REQUESTS

Computers, Major Equipment, and Furniture should not be purchased on a College Purchasing Card. Prior approval from the Purchasing Office is required for the purchase of minor equipment.

Low Risk Minor Equipment – Items that cost under \$5,000 (including tax and freight) and not considered a high risk of theft. The account number object code should be 555100.

High-Risk Minor Equipment – Items that cost under \$5,000 (including tax and freight) and considered to be a high risk of theft. Such items include, but are not limited to, desktop computers, laptops, iPads, tablets, cameras, printers, scanners, and handguns. High-Risk minor equipment items are tagged and inventoried on a yearly basis.

- **Major Equipment** – Items that cost over \$5,000 (including tax and freight). These items are labeled, inventoried and reported to the North Carolina Community College System on a monthly basis.
- **Building and Room No.** – This information should be entered in (unprinted) comments on the requisition
- **Shipping** - All supplies and items to be inventoried for major equipment should be shipped directly to the New Bern campus unless prior arrangements have been made with the Purchasing & Fixed Assets Coordinator. Furniture and large, bulky equipment should

be delivered directly to the receiving campus. The requestor should contact the Purchasing office upon delivery while forwarding any packing slips or invoices.

- **Program Codes** – These are codes assigned by the Purchasing Office according to the curriculum, non-Curriculum, or administrative purpose of the equipment. Enter the department the equipment is being used in.
- **Fire Codes** – CCC will comply with the State National Fire Protection Association laws in the placement of furniture and equipment.
- **Quotes** – Ask the vendor to forward the quote to you in an e-mail. You can save the quote and attach it to the EP requisition. Be sure the quote is current and dated. The quote should also include freight (if applicable), state contract number (if applicable), installation, and tax.

Computers and Printers

- Computers are ordered on a three-year revolving basis by Information Technology Services' Computer Technical Support. If you wish to order a computer or laptop with your departmental budget, contact the Help Desk for assistance with a quote (State Contract 204A).
- All computers ordered must be approved by the Dean of Information Technology.
- The quote you receive from IT must be referenced on the requisition and attached to the E-Procurement requisition. A current quote must be used – note the expiration date. Computers are usually shipped within three to four weeks.
- Contact the Help Desk for assistance with a quote (State Contract 204D) for printers.

Equipment

- **Contact Purchasing** – E-mail or call the Purchasing Office if you have any questions about ordering. This could save you and your approvers' time so your requisition is not denied. Also, many orders placed around campus for equipment are similar in nature, and the item you want to purchase may have already been researched.
- **Installation** – Give the estimated date of installation. Some equipment should be assembled before it is shipped, and other equipment is assembled after it is shipped. Enter this information on the requisition.
- **Facility Services** – Are there offices or building structures to be completed before the equipment should be installed? Are there any electrical, gas, water, or other facility services needed prior to installation? Contact the Facilities Help Desk for assistance. Approval is needed from the Executive Director of Facilities.
- **State Contract** – Check the state contract to verify if there are any special provisions that apply. As a general rule, state contract items do not have freight.
- **Abnormal Size** – If the piece of equipment is abnormal in size, please state this in unprinted comments on your requisition. There may be issues of delivery on campus with offices on the second floor of buildings, and these issues must be addressed before the item is ordered.

Furniture

- **Contact Purchasing** – Contact Purchasing before starting your requisition.
- **Correction Enterprises** – Preference shall be given to N.C. Department of Public Safety, i.e. Correction Enterprises, for products that are manufactured or produced within the State Prison system. They are now producing furniture as well as printing and other supplies. A list of their products can be found at <https://www.correctionenterprises.com/products/>.
- **State Contract** – There is a mandatory state contract for furniture (C420A). Check the state contract to verify if there are any special provisions that apply.
- **No Furniture from Office Supply Vendors** – Do not purchase furniture items from office supply contract vendors except for metal file cabinets, which have recently been added to the C-615A office supply contract. They are not on state contract for basic furniture, and in some cases the items do not meet the state’s quality acceptance standards.
- **Date Items Needed** – Furniture orders are typically shipped in about six weeks. Some office chairs may be shipped within three weeks.
- **Ergonomic Issues** – Contact the Purchasing Office if you feel there is an ergonomic issue affecting you at your workstation.

CONSTRUCTION VS STANDARD PURCHASE DETERMINATION

CCC shall review the items being included in a construction/renovation project and remove any items that they consider non-related to the actual construction/renovation of the building. Items that are considered commodities, or just furnishings, to complete the project for use, shall be handled in accordance with the normal purchasing rules.

Items that are usually removed from construction/renovation projects include carpet, office panel systems, food service equipment, and furniture. If the college determines that one of these items, or any item that is normally handled as a commodity purchase, is best suited for inclusion in the construction/renovation project, their justification shall be documented in writing for public record.

FORMAL PROJECTS

Any project requiring the estimated expenditure of \$500,000 or more, or the use of any amount of State funds, for construction contracts, design fee, and construction contingency, **regardless of the source of funds**, will be considered a “**formal**” project and must have the approval of the State Board of Community Colleges (State Board) and the State Construction Office (SCO). More detailed procedures for obtaining approval for formal projects are explained in the section entitled “Procedures for Completing a Capital Improvement Project.” Formal bidding procedures as per G.S. 143-129 must be followed for these projects. Note, in cases of special emergencies

involving the health and safety of the people or their property, the bidding procedures in G.S. 143-129 may be waived. Contact the Assistant Director of the Design Review Section at the SCO for approval to proceed under a special emergency situation.

INFORMAL PROJECTS

Any project where the authorized funding or the total project cost is realistically estimated at less than \$500,000 for construction contracts, design fee, and construction contingency, will be considered an “informal” project. If the economy is in a period where the costs of construction materials and services are rapidly rising, and the estimated total project cost is close to this threshold, the college is strongly encouraged to consider treating the project like a formal project. This rationale is because if the project is bid under the informal bidding procedures and the lowest bid or set of bids are over \$500,000 you may not be permitted by the general statutes to award a contract. Several general statutes require that certain actions be taken prior to awarding a contract and some of these actions must have been included in the bid documents for the bidders to consider when compiling their bid(s).

Four statutes that are triggered by the \$500,000 threshold are:

1. G.S. 143-129(b) requires that no bid can be considered unless it is accompanied by a bid deposit or bid bond of five percent of the bid.
2. G.S. 44A-26(a) requires performance and payment bonds in the amount of one hundred percent of the bid for all contractors who have contracts over \$50,000.
3. G.S. 143-128.2(j) requires contractors on projects costing over \$500,000 to make specified good faith efforts to recruit minority participation as detailed in G.S. 143-128.2.
4. G.S. 133-1.1(a) (1) requires an architect or engineer registered in North Carolina to prepare the plans for repairs to a building with no structural changes in framing or foundation. If an architect or engineer did not prepare the plans, the college would have to reject the bid or bids.

Any informal project that uses state funding must be submitted to the State Board for approval before the College enters into any design or construction contract. Informal projects **that do not use state funding** do not need to be submitted to the State Board for approval. No informal project has to be submitted to the State Construction Office (SCO) for approval unless the College feels more comfortable with having the oversight of the SCO. If an informal project is submitted to the SCO, the project must also be submitted to the State Board for approval, and both agencies will handle the project as they would a formal project. Informal projects that are not submitted to the SCO may follow either the informal bidding procedures in G.S. 143-131 or the formal bidding procedures in G.S. 143-129. The single prime or separate-prime methods for bidding can be used.

Informal projects must have the proper approval and permits from the local building inspector and must comply with all state and local building codes and regulations. The College or designer must submit the building plans for all projects over 10,000 gross square feet to the NC

Department of Insurance Engineering and Building Code Division to assure code compliance (See the list of “Contacts and Websites” for the name and address). **Their approval must be secured in order to obtain a building permit from the local building inspector.**

The General Statutes do not address bidding procedures for projects under \$30,000. Theoretically, a college could contact several contractors by phone for projects under this threshold. Each college should develop their own policies and monetary thresholds as to how, when, and where to seek bidders for all informal projects under \$500,000.

To obtain competitive bids, the College must have some form of plans and/or specifications for the project so all bidders are bidding on the exact same materials and components. Depending on the size and type of project, the College may be required by G.S. 133-1.1 to employ a designer. See section “Beginning any Capital Improvement Project” for more information.

If a college decides to accept informal bids, it is highly recommended that the college secure at least three bids. The General Statute, states that an award can be made “after informal bids have been received.” By using the plural form of bid, it implies that more than one bid must be secured. While advertising in a newspaper is not required for informal bids, it may promote local goodwill. The College may consider placing an advertisement on the NC Division of Purchase and Contract’s (P&C) Interactive Purchasing System (IPS) website (see section Contacts and Websites). If the College makes a genuine effort to solicit bids from three or more contractors and only one contractor submits a bid, an award can be made to the one bidder. The College should keep records of all bids and bidding efforts for three years.

G.S. 143-131(b) requires that the College solicit minority participation for its’ informal projects (those from \$30,000 to less than \$500,000). It also requires the College to provide documentation to the Department of Administration Office for Historically Underutilized Businesses (HUB), as to the type and dollar value of the project, contractors solicited, dollar value of minority business participation, and the good faith efforts made to seek minority contractors. The College should meet this reporting requirement as they enter their data for this project into the reporting system. The SCO has forms for informal contracts that could be edited and used by the College. The SCO’s design contract, with editing, could also be used as it provides more protection to the College than the American Institute of Architects’ (AIA) contract. In the SCO documents, any reference to the State of North Carolina or the SCO must be removed

MODULAR, MOBILE, OR PRE-ENGINEERED BUILDINGS

The NC Division of Purchase and Contract does **not** handle the acquisition of buildings such as modular buildings, mobile buildings, pre-engineered buildings, or pre-fabricated buildings. They refer the acquisition of these buildings to the respective agencies that oversee construction projects, like the SCO and the System Office. Thus, if the cost of purchasing and erecting one of these buildings is \$500,000 or more, the project would be considered a formal construction project and would fall **completely** under the rules for formal projects. This would require

employing a designer to design the building, seeking competitive bids for the construction and erection of the building, and having the project fall under the jurisdiction of the SCO. These requirements would probably negate any perceived savings in acquiring such a building.

If the cost of purchasing and erecting one of these buildings is less than \$500,000, the project would fall under the rules for informal projects. As per G.S. 133-1.1(a)(3), if the cost was over \$135,000, the plans would have to be prepared by an architect or engineer registered in North Carolina.

WRITING SPECIFICATIONS GUIDANCE

(To be prepared by end-user)

1. What are you buying? This should include: An accurate description of the item, item numbers, model numbers, quantity needed, and list of additional components needed to complete the system.
2. Is this a sole source? Why? If yes, obtain letter stating such from the vendor.
3. Are there specifications? These specifications should not be photocopies from literature but typed specifications that you can use.
4. If it is brand specific, why? What brand?
5. Is installation needed? If yes, must be included in bid or order.
6. Is training needed? Major training or general instruction to user?
7. Do you have any special delivery needs? Deadline for delivery? Inside delivery?
8. What kind of warranty is provided or required?
9. Do you need a maintenance contract for this kind of item?
10. Would used, refurbished or demo equipment be acceptable?
11. What kind of service do you need for the equipment?
12. Is there a suggested vendor? Who? Provide contact information.
13. For purchases greater than \$25,000 review the “Standard Paragraphs” on the P&C Website <http://www.doa.state.nc.us/PandC/divforms.htm> to see if any should be added to your specifications or view <http://www.doa.state.nc.us/PandC/splist.htm> for example specifications.

RESOURCES

E-Procurement Vendor Registration

<https://evp.nc.gov/vendors>

E-Procurement HELP DESK can be reached at 1-888-211-7440, option 2 or email vendor@nc.gov

NC Community College System: <http://www.nccommunitycolleges.edu/>

NC Community College System Purchase Manual:
<https://wordpress.nccommunitycolleges.edu/wp-content/uploads/2024/04/Purchasing-Equipment-Procedures-Manual-April-2024.pdf>

NC Purchase & Contract: <http://ncadmin.nc.gov/about-doa/divisions/purchase-contract>

North Carolina Procurement Manual: <https://www.doa.nc.gov/north-carolina-procurement-manual-2022/open>

NC IT Procurement: <https://it.nc.gov/resources/statewide-it-procurement-office>

DEFINITIONS

AGENT: A person who, by express or implied agreement, is authorized to act for the institution in business dealings with a third party.

AGENCY SPECIFIC TERM CONTRACT: A term contract for use by a specific agency. Depending on the dollar value of the contract, it may be handled by P&C or the agency.

AGREEMENT: (“meeting of the minds”) resulting from an offer and an acceptance.

BEST VALUE PROCUREMENT: The terminology used in G.S. 143-135.9 to identify the method required for purchasing information technology commodities and services.

BUYER: Authorized agent of the institution to buy, purchase or enter into contract with a supplier.

COMMODITIES: Any like group of equipment, materials, or supplies.

COMPETITION: The fair and open solicitation of offers from more than one source; the receipt of offers from more than one qualified source.

CONSULTANT SERVICE: Work or task performed by State employees or independent contractors possessing specialized knowledge, experience, expertise and professional qualifications to investigate assigned problems or projects and to provide counsel, review,

analysis or advice in formulating or implementing improvements in programs or services. This includes, but is not limited to, the organization, planning, directing, control, evaluation and operation of a program, agency, or department.

CONTRACTUAL SERVICE: When an independent contractor performs services requiring specialized knowledge, experience, expertise or similar capabilities for a State agency for compensation from agency funds. The services may include (by way of illustration, not limitation) services such as, maintenance of buildings or equipment, auditing, film production, employee training and food service, provided that the service is not primarily for review, analysis or advice in formulating or implementing improvements in programs or services (in which case rules relating to Consultant Contracts shall be applicable).

DELEGATIONS:

- General Delegation: The authority granted by the SPO for an agency to handle purchases made under a certain dollar amount, in accordance with the guidelines in this manual.
- Special Delegation: The authority granted by the SPO for an agency to handle a specific or special purchase, where it would serve no practical purpose for the purchase to be handled by P&C.

EMERGENCY: A situation which endangers lives, property, or the continuation of a vital program and which can be rectified only by immediate on-the-spot purchase (or rental) of equipment, supplies, materials, printing, or contractual services.

EQUIPMENT: An item that represents an investment of money that can be capitalized. The “stand-alone” item retains its original shape and appearance with use and does not lose its identity through the incorporation into a different or more complex unit or substance.

CCC separates equipment into three categories:

1. Major Equipment = over \$5000 for each individual item
2. Minor Equipment or Supplies = under \$5000 for each individual item

FORMAL PROJECT: Any project (construction) requiring the estimated expenditure of \$500,000 or more, or the use of any amount in State funds, for construction contracts, design fee, and construction contingency, regardless of the source of funds.

HUB (Historically Underutilized Business): Any one of the following: a minority-owned business, a female-owned business, a disabled owned business, a disabled business enterprise, a non-profit workshop for the blind or severely disabled.

INFORMAL PROJECT: Any project (construction), where the authorized funding or the total project cost is realistically estimated at less than \$500,000 for construction contracts, design fee, and construction contingency, regardless of the source of funds.

INFORMATION TECHNOLOGY (IT): Electronic data processing goods and services and telecommunications goods and services, microprocessors, software, information processing, office systems, any services related to the foregoing, and consulting or other services for design or redesign of information technology supporting business processes.

INSTALLMENT PURCHASE: A contract in which the agency's established periodic payments are applied to fulfill the payment obligations for ownership of the commodity. Used when ownership of commodity at time of possession is intended.

INVITATION FOR BID (IFB): The formal advertised written solicitation document used for seeking competition and obtaining offers of \$10,000 or greater.

INTERACTIVE PURCHASING SYSTEM (IPS): North Carolina Purchase and Contract's Interactive Purchasing System that contains solicitations for many agencies throughout North Carolina.

LEASE: A contract conveying use of a commodity for a designated period of time in return for established periodic payments.

LEASE-PURCHASE: (Conditional Sales Contract) A contract in which the established periodic payments are applied to fulfill the payment obligations for ownership of the commodity.

NEGOTIATION: The act of making a purchase, lease, lease-purchase, or rental agreement, by an authorized agent of the institution under the following conditions:

- When all offers have been rejected,
- When the use of the standard solicitation document is not appropriate,
- Where there is a sole source,
- When an emergency or pressing need arises.

OFFER: The term may refer to a proposal, quote, or bid submitted in response to a Request for Proposal, Request for Quotation, Invitation for Bid, or Negotiation.

OPEN MARKET CONTRACT: A contract for the purchase of a commodity or contractual service not covered by a term contract.

PRESSING NEED: A need arising from unforeseen causes including, but not limited to, delay by contractors, delay in transportation, breakdown in machinery, or unanticipated volume of work, and which can be rectified only by immediate on-the-spot purchase (or rental) of equipment, supplies, materials, printing, or contractual services.

PURCHASE: The act of acquiring a needed item or service by an authorized agent of the institution. The acceptance of an offer to sell, lease, lease-purchase, or rent. An item or contractual service acquired as a result of a valid agreement between an authorized agent of the institution and a seller.

RENTAL: A contract for the right to use a commodity for a period of time, usually with payments made at intervals over the period of use, and normally providing for short notice of cancellation.

REQUEST FOR PROPOSALS: An informational written procurement document used for seeking competition and obtaining offers for services.

SMALL PURCHASE: The purchase of commodities, services or printing, not covered by a term contract, involving an expenditure of public funds of \$31,000 thousand dollars (\$31,000) or less.

SOLE SOURCE: A sole source vendor is a company or person who sells a product or service that meets the unique needs of the purchaser; generally, **sole source** means the one and only source for the product or service in the United States (minimum). If a manufacturer has dealers or distributors anywhere in the country, it is not a true sole source; having regional, state, or area dealers or distributors do not constitute sole source.

SOLICITATION DOCUMENT: A written Request for Quotation, Request for Proposals, or an Invitation for Bids.

STATEWIDE TERM CONTRACT: A term contract handled by the Division of Purchase and Contract for all agencies and institutions of the state, unless exempted by statute, rule, or special terms and conditions specific to the contract.

TERM CONTRACT: A contract generally intended to cover all normal requirements for the commodity or contractual service, for a specified period of time, based on estimated quantities only.