

Purchasing, Bidding, and Prevailing Wages for Fixed Works

The Board of Trustees, with a view toward maintaining integrity in purchases, meeting the needs of the College, providing safeguards to the tax dollars, and abiding by all requirements of the Illinois Prevailing Wage Act, does hereby establish the following policies:

1. Purchasing

Requests for purchases, with the exception of equipment purchases, shall be initiated and approved by cost center supervisors via College credit card or Purchase Order. Requests for purchases of equipment must be initiated and approved by cost center supervisors via an approved Purchase Order. College credit cards may be used for equipment purchases if approved by the President or respective Vice President in advance.

All Purchase Orders go to the Accounting office for final approval and distribution to the supplier/vendor. Purchases shall be made with the intent to procure all equipment, supplies and services using competitive practices that ensure that the College is receiving maximum value for the money expended. All departments are encouraged to standardize supplies and equipment and, where practicable, to consolidate receiving items for single purchase. Joint purchasing with the State of Illinois is encouraged.

The College will only assume obligations issued on duly authorized Purchase Orders or College credit cards. The Purchase Order and College credit card are the College's formal methods to buy goods and services and, upon acceptance by the vendor, become a legal and binding contract obligating the College and the vendor. Purchases made by Lake Land College personnel without an approved Purchase Order or College credit card are not valid claims against the District until validated by a confirming Purchase Order or College credit card and properly approved invoice. Any individual making such a purchase without a Purchase Order or College credit card will be held personally liable prior to such validation.

Due to both time and geographic constraints, College personnel can be reimbursed for limited purchases of commodities after proper

submission of adequate documentation for such expenditures and after proper approval by their supervisor. Requests for authority to make these limited purchases must be made on an annual basis to the Comptroller, approved by the Vice President for Business Services, and reported to the Board of Trustees.

Whenever a purchase exceeds departmental budgetary allocations, a Budget Transfer Request approved by the appropriate cost center supervisor must be submitted to the Comptroller's office. The Comptroller will review the transfer before final approval and forward the transfer to the Vice President for Business Services in the event of any problems.

Unless approved in advance by the Board of Trustees, the College will not solicit or accept bids or quotes or otherwise purchase from its full-time employees or members of the Board of Trustees. Employees of Lake Land College shall not accept gratuities from prospective suppliers.

2. Bid Requirements

Formal bids will be required for all items costing in excess of \$25,000 for goods, services and for construction. When a bid is required, the office of the Vice President for Business Services will assist cost center supervisors with documents required for completing the formal bid process, including a sample advertisement of the public notice required to be published in a district newspaper at least ten (10) days before the bid due date. In addition to the public notice, every effort will be made to invite bids from vendors known to provide such goods and services, or from names maintained in the Business office files of vendors requesting personal notification of such requests for bids. If an emergency exists, the bid process may be bypassed, as outlined in this Board Policy.

Each bidder must receive at least three days' notice of the time and place of such bid opening. All competitive bids must be sealed by the bidder and must be opened by a member or employee of the

Board at a public bid opening, at which the contents of the bids must be announced. Upon approval by the Board of Trustees, the contract for such goods or services will be awarded to the lowest responsible bidder considering conformity with specifications, terms of delivery, quality and serviceability. The low bid need not be the sole criterion for purchasing; reliability of the supplier and quality and availability of service will also be taken into consideration as well as the College's compliance plan and implementation procedures to adhere to the Business Enterprise for Minorities, Females, and Persons with Disabilities Act (30 ILCS 575/1).

In the event of a tie between an in-district vendor and an out-of-district vendor, all other factors remaining equal, the in-district vendor shall be favored with the award. Tie bids between two in-district vendors shall be decided by the Board of Trustees. The Board reserves the right to reject any and all bids. At all times, the Board of Trustees will seek to purchase goods and services in a manner that will be in the best interest of the students attending the College and in the best interest of the taxpayers of the District.

Occasionally, circumstances will exist which necessitate the consideration of a single bid. There may be items that are not compatible with presently owned equipment, or it may be of such technical nature that only one vendor can respond. The Board of Trustees does not favor awarding a bid where there has been only one response, but a cost center should not be denied equipment that is needed to further the functioning of that cost center. Single bid situations will be considered only in those instances when such an award is in the best interest of the College. In such cases, it is the responsibility of the cost center making the request to furnish the Board of Trustees with sufficient justification for consideration of such an award.

Bid bonds will not be required unless specified in the bid specifications. Specifications will contain a statement relative to payment, which, as a general rule, will be net 90 days. Invoices will be approved at the first Board meeting following the time they are received; thus, payment should be made in 30 to 45 days or less.

Where cash discounts are issued, bills are paid immediately in order to take advantage of the discount.

Complaints on College purchases and contract awards shall be made in writing and shall be considered during meetings of the Board of Trustees.

Bidding requirements when using Federal Funds – Uniform Guidance Requirements

Purchases using sponsored funds must be made in accordance with OMB's Uniform Guidance, 2 CFR 200, which requires:

basis for vendor selection,

justification for selected or non-competitive purchases, and

basis for the price of the purchase.

Written documentation is not required for transactions under \$9,999 as long as the transaction is deemed reasonable. Verification of the reasonableness of a price may be accomplished by comparing it to previous purchases, having personal knowledge of the item being purchased, or comparing the price for the item to the price of similar items purchased. To the extent practicable, purchases must be distributed equitably among qualified suppliers with reasonable prices.

For purchases between \$10,000 and \$24,999, departments shall follow the procedures outlined in the Purchases Using Non-sponsored Funds section above. Procedures may include the comparison of submitted price quotations, market prices or similar items, and other considerations that justify the accepted bid. Department bids are subject to review by the Business Services Department.

For purchases in excess of \$25,000, the Department shall follow the procedures outlined in the Purchases Using Non-sponsored Funds

section above. Procedures may include the comparison of price quotations submitted, market prices, or similar items, and other considerations that justify the accepted bid.

For purchases in excess of \$250,000, the current Simplified Acquisition Threshold level defined by the OMB Uniform Guidance, 2 CFR 200, the Business Services Department must complete a price analysis and conduct a sealed, public, competitive bidding process with at least two bids obtained and analyzed.

For purchases over \$25,000, any supplier debarred or suspended by the federal government is not permitted to do business with the federal government, under government contracts or subcontracts, and the University may not contract with such suppliers unless an exception is granted in writing by a government contracting officer.

The Business Services Department is responsible for verifying that potential suppliers are not on the government's list of debarred or suspended contractors (<http://sam.gov/>).

3. Fixed Works

In accordance with the Prevailing Wage Act (PWA), the College will determine whether each of its procurements is subject to the PWA. If PWA applies, the College will notify vendors, contractors and subcontractors of their obligation to comply with all requirements of the Act. Notification will include the vendors, contractors or subcontractors obligation to pay laborers, workers and mechanics performing services on public works projects no less than the current prevailing rate of wages (hourly cash wages plus amount for fringe benefits) in the county where the work is performed and in accordance with the prevailing wage rates published on the Illinois Department of Labor's (IDOL) website. Notification will also include the obligation of the vendors, contractors or subcontractors for record-keeping duties. This includes filing certified payroll documentation, via the Illinois Department of Labor's electronic database, demonstrating compliance with the PWA no later than

the 15th day of each calendar month during the construction phase of the project.

Public works means all fixed works constructed or demolished by any public body, or paid for wholly or in part out of public funds. This includes any maintenance, repair, assembly, or disassembly work performed on equipment whether owned, leased or rented. This reference to equipment means fixtures and systems attached to and integrated into a building, such as elevators, HVAC units, mechanical systems, etc.

4. Bid Process Exemptions

Goods and services exempt from the formal bid process include:

- A. Contracts for the services of individuals possessing a high degree of professional skill where the ability or fitness of the individual plays an important part.
- B. Contracts for the printing of Finance Committee reports and departmental reports.
- C. Contracts for the printing or engraving of bonds, tax warrants, and other evidences of indebtedness.
- D. Contracts for materials and work which have been awarded to the lowest responsible bidder after due advertisement but, due to unforeseen revisions, not the fault of the contractor for materials and work, must be revised, causing expenditures not in excess of ten percent (10%) of the contract price.
- E. Contracts for the maintenance or servicing of, or provision of repair parts for, equipment which are made with the manufacturer or authorized service agent of that equipment where the provision of parts, maintenance, or servicing can best be performed by the manufacturer or authorized service agent.

- F. Purchases and contracts for the use, purchase, delivery, movement, or installation of data processing equipment, software, or services and telecommunications and inter-connect equipment, software, and services.
- G. Contracts for duplicating machines and supplies.
- H. Contracts for the purchase of natural gas when the cost is less than that offered by a public utility.
- I. Purchases of equipment previously owned by some entity other than the District itself.
- J. Contracts for repair, maintenance, remodeling, renovation, or construction, or a single project involving an expenditure not to exceed \$25,000 and not involving a change or increase in the size, type, or extent of an existing facility.
- K. Contracts for goods or services procured from another governmental agency.
- L. Contracts for goods or services which are economically procurable from only one source, such as for the purchase of magazines, books, periodicals, pamphlets and reports, and for utility services such as water, light, heat, or telecommunications.
- M. Where funds are expended in an emergency and such emergency expenditure is approved by three-fourths (3/4) of the members of the Board.

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