

BUSINESS OFFICE

PROCUREMENT POLICIES/PROCEDURES FISCAL YR '22

NORTHERN NEW MEXICO COLLEGE

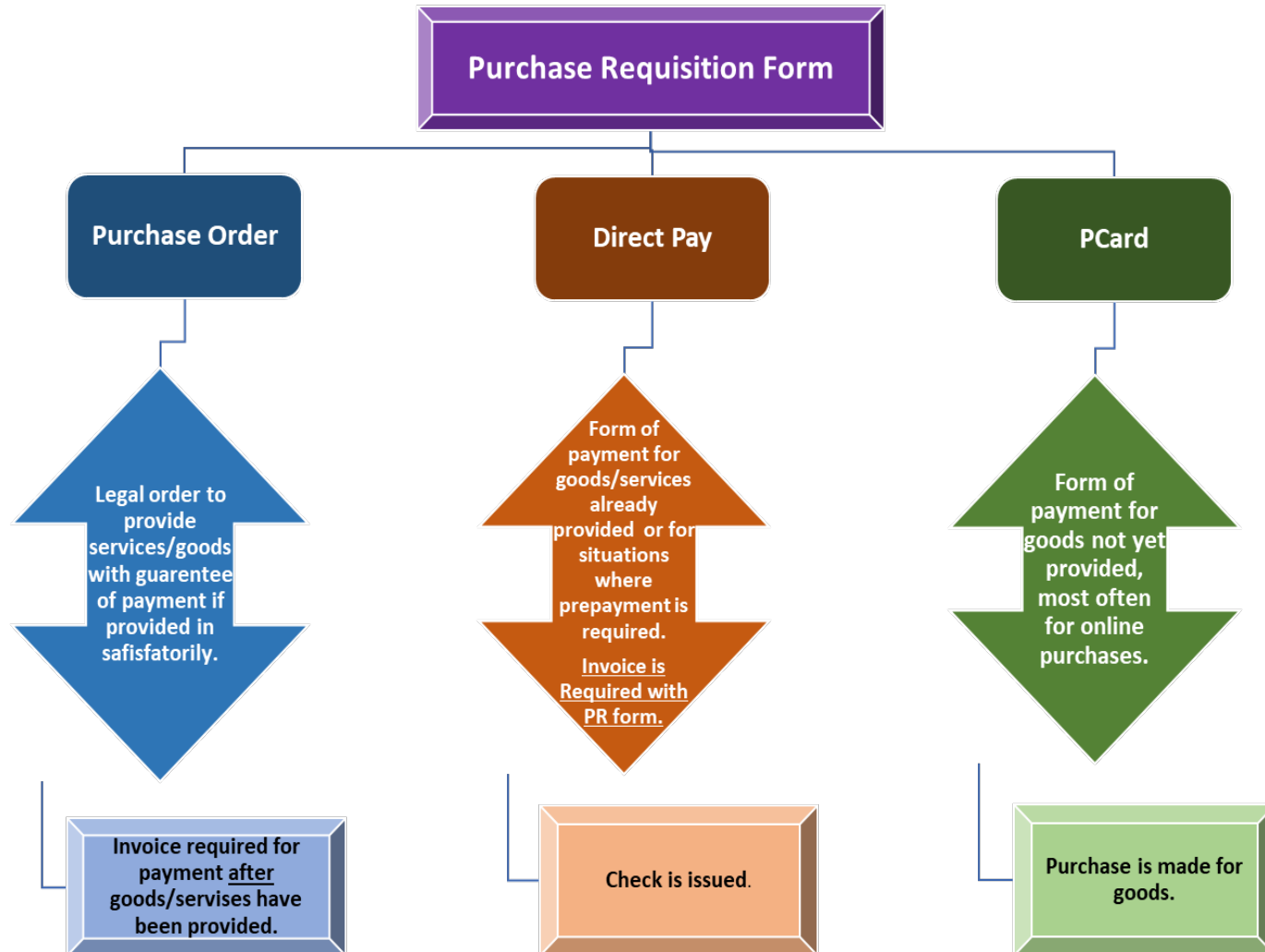


Introduction:

Northern New Mexico College's (NNMC) Procurement Office was established as the central purchasing office of the college to ensure requirements of the New Mexico Statute 1978, Chapter 13.1.1 to 13.199 (New Mexico Procurement Code).

At a Special Meeting of the NNMC Board of Regents on May 29, 2018 the Board of Regents (BOR) passed a resolution for NNMC to follow not only the New Mexico Procurement Code, but also any appertaining regulations and future amendments to either the statute or regulations.

NNMC Procurement Process



Purchase Requisition Form – What is Needed?

PR Forms must have all required boxes filled out – these are noted on the form and include:

- The department the request is for
- Who is requesting the items – this will be our contact person if we have questions and who we will contact when the items have been received.
- Date of the request
- The FOAP or funding stream that you are asking the goods/services to be paid out of.
- What goods/services you are requesting.
- Justification for the goods/services.
- Vendor/Contractor information
- Date needed if applicable
- Approvals

PR forms, along with all supporting documents must be submitted to purchasing@nnmc.edu for processing.

Purchase Requisition Check List before submitting:

- ❖ Is the form filled out completely with the correct FOAP?
- ❖ Have you provided a quote(s) for the item(s) being requested or an invoice if direct payment is being requested? Is your quote current/valid? Do you need three quotes?
- ❖ Have you provided a justification for the expense?

Justifications must support the allowability, allocability, and reasonableness of the expenditure. Most importantly, the justification should support need for the expenditure and negate any possible audit findings.

Procurement Thresholds

Under \$20,000: Under NM Stat § 13.1.125(C), a single purchase involving an expenditure less than \$20,000 for services, construction or items of tangible personal property, may be procured by issuing a direct purchase order to a vendor at the “best obtainable price.” The requestor must provide a written quote or proof of cost with the purchase requisition.

\$20,000 to \$60,000: For purchases between \$20,000, but less than \$60,000 departments should provide the Procurement Office with three (3) written, responsible quotes/bids in order to determine ‘best price.’ The only exception to this is when a State price agreement is available for the preferred vendor.

\$60,000 and above: A single purchase of services, construction, items of tangible personal property, or professional services in an amount equal to or greater than \$60,000 shall be made only through either the Request for Proposal (RFP) process, the Sole-Source determination process, or Emergency Procurement process as dictated by the Procurement Code. (Guidelines are provided separately in this manual.)

Federal purchases: The threshold for three quotes is \$10,000 per OMB memo M-18-18.

If ‘best obtainable pricing’ cannot be determined formal procurement processes may be required regardless of dollar amount.

NOTE: Federally funded procurements may have additional restrictions under the Federal Acquisition Regulation (FAR) and Uniform Guidance 2 CFR 200 and must go through the Grants Office for approval prior to obligating funds.

Contracts

If you need a Contract for Services – please see the CPO for instructions.

- Quote are still required and thresholds still apply.
- The CPO will authorize use of a contract template.
- Signatures for contracts should not be obtained from contractor until all approvals have been secured and a PO has been issued.

Important: Only the President, the Provost, or the Vice-President of Administration and Finance may obligate the College in a legally binding, contractual agreement; this includes service agreements. Only the College's state registered, certified CPO may sign Purchase Orders.

Additional Compliance Rules

The Compliance Officer/CPO is responsible, per state law, to make all determinations for procurements. This includes whether additional documentation is needed to ensure compliance to state or federal guidance.

Examples include but are not limited to:

- ❖ Prior approvals.
- ❖ Debarment/Suspension qualification.
- ❖ SAM registration.
- ❖ Federal/State grant officer approvals.

Unallowable Costs -

As a public institution of higher education, funded in part by State allocations and student tuition, NNMC is held to a high standard of accountability for its procurement practices. All college expenditures should clearly and directly support the College's mission.

Examples of unallowable expenditures, include, but are not limited to:

- items for personal use;
- alcoholic beverages;
- items whose costs include a taxable donation (i.e. meals at fundraising events, table sponsorships, etc.);
- fines and penalties incurred by an employee;
- gift cards;
- expenses directly related to lobbying or the endorsement of any political candidate; *and*
- items procured in a manner not consistent with NNMC's procurement policy.

Unallowable costs are the responsibility of the staff/faculty who purchased the items. NNMC will not issue reimbursement for unallowable costs and if a NNMC Pcard was used for the purchase, reimbursement to the college will be required.

Other Types of Procurements-

There are several types of procurement in addition to the already mentioned. These include:

- ❖ **Honorariums** – please see NNMC Honorarium for non-employee speakers. Agenda or announcement and W-9 form needed. Form can be found at: <https://nnmc.edu/wp-content/uploads/2018/07/NNMC-Honorarium-Form-Revised-7.23.2018.docx>
- ❖ **Non-travel Reimbursements** – for items purchased with personal funds, under \$100 with prior approval. Receipt and justification required. Form can be found at: https://nnmc.edu/wp-content/uploads/2016/08/NNMC-Non-Travel-Reimbursement_online.pdf
- ❖ **Sole Source** - This is where there is only one source for a proprietary good/services. Requires determination by CFO and a 30-day posting on NM GSD site before purchase/contract can be executed.
- ❖ **Emergency** - may only be used when there exists a threat to public health, welfare, safety or property requiring procurement under emergency conditions. Requires written determination by the CFO and posting to NM GSD site.
- ❖ **Exemptions** – some procurements are exempt per 13.1.98 of the NM Procurement Code. Exemptions require the written determination by the CFO.

Approval Process for Purchase Requisitions

(POs, Direct Pays, PCard), Contracts, Nontravel Reimbursements, Travel Reimbursements, etc.

Revised 2.8.21



From the time of submission through to approval and processing it can take two weeks to go through all approvals above.

Resources for Reference:

NNMC Procurement Guide: Provides guideline to polices and guidance governing NNMC procurement processes:

https://nnmc.edu/wp-content/uploads/2018/12/NNMC_Procurement_Manual_rev.5.29.18.pdf

NNMC Grant Fiscal Management Guide: Provides guidance governing NNMC grant procurements and more:

https://nnmc.edu/wp-content/uploads/2019/12/NNMC_GrantFiscalManagementGuideRev.7.1.19-FINAL.pdf

Questions?

Thank you

Vince Lithgow, Interim VP of Administration and
Finance

Cheryl James, Compliance Officer/Chief
Procurement Officer