



RSCCD - Dollar Amount Limitations for Procurement

Note: Guidelines are standard regardless of funding source

For all types of purchase orders: Services cannot commence and/or goods cannot be received prior to issuance of a district issued PO to the vendor and if applicable, an executed agreement.

TYPE OF PURCHASE ORDER (PO)	DOLLAR LIMIT	REQUIREMENTS	BOARD APPROVAL	LEAD TIME
Equipment, supplies and services (other than public works) See PCC 20651	\$1,000+	Services Only: Services involving labor to be performed on a District site require a Field Agreement		
	Under \$15,000	Competitive*** quotes not required but recommended to ensure competitive pricing.	No advanced approval required	Up to 2 Weeks
	\$15,000 - \$119,099	Two to three competitive*** quotes. When in the best interest of the district, advanced Board Approval may be obtained in lieu of multiple quotes.	No advanced approval required	2-3 Weeks
	\$119,100+ *	Formal bidding procedure	Board approval required	3-5 Months
Cooperative contracts and piggy backable bids (e.g., FCCC, CMAS, NASPO, County & School District contracts, etc.)	Limit per individual contract specifications	All supporting documentation and must meet all legal requirements	Board approval required. Thereafter, POs are issued as needed during the duration of the contract. Board ratifies each PO via monthly purchase order listing.	4-6 Weeks
Special services and advice (e.g., financial, economic, accounting, engineering, legal, administrative matters) GC 53060 See GC 4526-Professional Services & PCC 6106	Under \$15,000	Requires an Agreement and is negotiated	No advanced approval required	Minimum 2 wks.
	\$15,000+	Requires an Agreement, and two to three competitive*** quotes.	Board approval required	3-4 Weeks
Professional Service Agreements/Guest lecturers (Other than the above).	Under \$15,000	Professional Service Agreement/Guest Lecturer Agreement, Scope of work, Insurance, W9. If the vendor is an individual, must pass ABC Test and be routed to Human Resources first for approval. Reference Professional Services Agreement Quick Guide for process details.	No advanced Board approval required.	1-2 weeks Prior
	\$15,000+		Advanced Board approval required. All required supporting documents must be complete prior to board approval.	4-6 weeks Prior
California Uniform Public Construction Cost Accounting Act (CUPCAA) for Public Works (real property alterations, major facility repairs, remodeling, and construction) (Continued Below)	Less than \$1,000.00	Negotiated, One quote minimum (No Field Agreement is required)	No advanced Board approval required	1-2 Weeks
	\$1,000 - \$24,999	Negotiated, One quote minimum	No advanced Board approval required	2-3 Weeks
		DIR registration NOT required		
		Certified payroll NOT required		
		Bonds NOT required		
Field Agreement Required, Use Form Template FS-1				



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(Continued from Above) California Uniform Public Construction Cost Accounting Act (CUPCCAA) for Public Works (real property alterations, major facility repairs, remodeling and construction)	\$25,000 - \$75,000**	Two or three competitive quotes are required. Departments must select contractors from prequalification list. Payment, Performance and Bid Bonds required for contracts \$25,000 or greater (Field Agreement is required)	No advanced Board approval required	2-3 Weeks
See BP/AR 6603	\$75,001 - \$220,000**	Informal bidding procedure. Must be informally bid to applicable trade contractors on prequalification list. All notices are to be sent to all qualified contractors on prequalification list and/or construction trade journals. Notices must be completed no later than 10 calendar days before bids are due.	Awarded by the Chancellor, or Vice Chancellor. Board ratifies via Board memorandum.	2-3 Months
See PCC 20651	\$220,001+	Formal bidding procedure. Subject to standard formal bidding procedures. All notices are to be sent to the Orange County Register, trade contractors on prequalification list and/or construction trade journals. Notices must be sent 15 calendar days before bids are due for trade contractors & construction trade journals. Fourteen (14) calendar days for Orange County Register.	Board approval required	2-3 Months

* Annually, this dollar amount increases. (Public Contract Code Section #20651)

** Per California Uniform Public Construction Cost Accounting Act (Public Contract Code Section 22032)

*** A competitive quote is obtained by detailing the required specifications for the scope of work and/or goods and emailing the detailed request to multiple vendors. A list of vendors for the requested services and/or goods can be obtained by contacting Purchasing Services. Competitive = quotes that compete in pricing with each other for the identical specified services and/or goods (like for like). Any quote that does not meet all the requirements is not considered to be competitive. For example, all quotes must list the identical quantity for each good, manufacturer/vendor part numbers, and scope of work in to order to be considered competitive.

The definition of “public works” means any of the following:

1. Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility, any public structure, building, road or other public improvement of any kind.
2. Painting or repainting of any publicly owned, leased, or operated facility.

Legal References: Civil Code 3100, 3106; Public Contract Code 1101, 22002(c); Labor Code 1720

A “public works” does not include maintenance work. For purposes of this section, maintenance work includes all of the following:

1. Routine, recurring, and usual work for the preservation, protection and keeping of any publicly owned or publicly operated facility for its intended purposes in a safe and continually usable condition for which it was designed, improved, constructed, altered, or repaired. “Facility” means any plant, building, structure, ground facility, utility system or real property.
2. Minor repainting - \$25,000 or less.
3. Resurfacing of streets and highways at less than one inch.
4. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.
5. Work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems, including but not limited to, dams, reservoirs, power plants, and electrical transmission lines of



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230,000 volts and higher.

Legal Reference: Public Contract Code 20656, 22002(d)

The definition of “emergency work”

1. “Emergency” means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.
2. In an emergency when any repairs, alterations, work, or improvement is necessary to any facility of the college, or to permit the continuance of existing college classes, or to avoid danger to life or property, the Board may, by unanimous vote, with the approval of the county superintendent of schools, make a contract in writing or otherwise on behalf of the district for the performance of labor and furnishing of materials or supplies for the purpose without advertising for or inviting bids.

Legal Reference: Public Contract Code 1102, 20654

Board of Trustees Procurement Threshold

The Board of Trustees has established a procurement threshold of \$15,000, which applies to all vendors for goods and services. As indicated in the chart on Page 1, multiple competitive quotes are required when exceeding \$15,000 for goods and/or services for each individual vendor, per department within a fiscal year. The requirement may be waived when utilizing pricing from Board approved cooperative contracts. Each department shall plan and budget their expenditures by the start of each fiscal year, if the need for goods and/or services will be estimated to exceed the \$15,000 threshold, departments should request multiple competitive quotes (2-3) beginning with the first order in a fiscal year. Obtaining multiple competitive quotes creates a competitive environment resulting in the district obtaining the best pricing. Once a department has actual expenses with one vendor nearing the current bid limit*, a formal bidding process is required. Reference the State mandated bid limit*

Confirmation POs

The Board of Trustees adopted Board Policy (BP) 6330 and the district has implemented Administrative Regulation (AR) 6330 to establish the Purchasing Department as the sole authority to contract or bind the district. A confirmation purchase order is defined as an order that is directly placed with a vendor by a staff member who has not gone through the district’s purchase procedures. The order is then submitted on a purchase requisition to cover the purchase and allow payment of invoices. This practice does not comply with BP & AR 6330. Per AR 6330, any District employee who evades purchasing procedures or violates the limit procedures and commits the district to financial obligations without proper authority (fully executed agreements, required insurance, board approval, purchase order issued, etc.) may be held personally liable for those commitments and subject to disciplinary action up to and including termination.

Bid Splitting

1. It shall be **unlawful** to split or separate into smaller work orders or, projects, any work, project, services or purchases for the purpose of evading the competitive bidding laws.

Legal Reference: Public Contract Code 20657

District Insurance Requirements

It is required that every vendor and/or contractor working for the Rancho Santiago Community College District meet the following minimum insurance requirements. Vendor and/or contractor will be required to file with the district certificates of such insurance and endorsements. Failure to furnish such evidence will be considered default of the vendor and contractor.

The Rancho Santiago Community College District, its officers, agents, employees, and volunteers shall be named as an additional insured on the Commercial General Liability and Comprehensive Automobile Liability policies, documented by a written endorsement, and the policy must provide a thirty day advance written notice to the district of any modification, change, or cancellation of any insurance coverage.

Prior to commencing work, and continuing during the life of the project, vendor and contractor shall procure and maintain, and require all subcontractors, if any, to procure and maintain:



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Commercial General Liability: Comprehensive or Commercial General Liability coverage with a limit of at least \$1,000,000 combined single limit per occurrence, \$2,000,000 aggregate. The insurance shall be primary and non-contributory.

Workers' Compensation and Employers Liability: Workers' Compensation as required under California State Law. The Employers Liability limits shall be at least \$1,000,000 each item.

Automotive Liability: Commercial Automobile liability coverage in an amount no less than \$1,000,000 combined single limit for all owned, non-owned and hired vehicles. Commercial bus vendors must show evidence of limits of at least \$5,000,000.

Additional insurance or higher amounts may be required if applicable.

Professional Liability: If the vendor is a licensed architect, engineer, designer or other "professional," a Certificate of Insurance shall be supplied showing Errors and Omissions coverage in an amount not less than \$2,000,000 per claim, \$4,000,000 aggregate. If Professional Liability policy is made on a claims-made basis, the vendor/consultant must purchase and maintain an extending reporting period (tail coverage) for three years.

Umbrella or Excess Liability: If the vendor's and contractor's primary or underlying limits of coverage do not meet the requirements outlined above, additional limits of coverage may be provided by an umbrella policy or an excess liability policy. Endorsements to the umbrella or excess policy which limit or exclude coverage must be attached to the certificate of insurance.

Additional Requirements: The insurers for all coverage lines shall have a minimum A.M. Best's rating of A, VII or equivalent and be admitted in California. This can be amended by separate agreement by RSCCD.

Sexual Abuse & Molestation: If the vendor will be working with minors Sexual Abuse/Molestation coverage must be included under General Liability or obtained in separate policies in an amount of not less than \$1,000,000 per occurrence (\$2,000,000 aggregate).

Cyber Liability Insurance: If applicable, with limits not less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Vendor in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, the release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.