

**Capitalization
Threshold**

The capitalization threshold for purposes of classifying individual capital assets shall be \$~~5~~10,000.

For reporting periods after June 15, 2023, assets whose individual acquisition costs are less than the threshold for an individual asset, but those assets in the aggregate are significant, should be capitalized. Computers, classroom furniture, and library books are examples of asset types that may not meet a capitalization policy on an individual basis, yet could be significantly collectively. The capitalization threshold for grouped assets shall be \$150,000.

PURCHASING AND ACQUISITION

CF
(LOCAL)

**Purchasing
Authority**

The Board delegates to the College President or designee the authority to make budgeted purchases for goods and services. Bids and contracts that are less than \$100,000 for the fiscal year may be awarded by the College President. Any bids or contracts not included in the budget or that are more than \$100,000 for the fiscal year shall be taken to the Board for approval. Bids and contracts greater than \$50,000 shall be reported to the Board at the next regular Board meeting.

Emergency
Delegation of
Authority

In the event of a catastrophe, emergency, or natural disaster affecting the College District, the Board delegates to the College President or designee the authority to contract for the replacement, construction, or repair of College District equipment or facilities if emergency replacement, construction, or repair is necessary for the health and safety of College District students and employees. The College President shall inform the Board of any approved emergency contracts at the next scheduled Board meeting for information and ratification by the Board.

Purchasing
Procedures

The College President shall develop purchasing procedures to implement the requirements of state and federal law. [See CAA, CAAB, and CH(LEGAL)]

Purchasing Method

The Board delegates to the College President or designee the authority to determine the method of purchasing in accordance with state and federal law.

Emergency
Purchases

If school equipment or a part of a school facility or personal property is destroyed or severely damaged or, as a result of an unforeseen catastrophe or emergency, undergoes major operational or structural failure, and the Board determines that the delay posed by the methods provided competitive bidding would prevent or substantially impair the conduct of classes or other essential school activities, then contracts for the replacement or repair of the equipment or the part of the school facility may be made by methods other than those required by Texas Education Code 44.031.

Competitive Bidding

If competitive bidding is chosen as the purchasing method, the College President or designee shall prepare bid specifications. All bids shall be in accordance with administrative regulations, and the submission of any electronic bids shall also be in accordance with Board-adopted rules. All bidders shall be invited to attend the bid opening. Any bid may be withdrawn prior to the scheduled time for opening. Bids received after the specified time shall not be considered.

The College District may reject any and all bids.

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Permissive Bids

Purchases of goods and services for which bidding is neither required nor prohibited by law shall be subject to the following bidding conditions. Requirements shall be based on total dollar value of order as follows:

- Less than ~~\$25,000.00~~ \$50,000 – One quote or bid shall be required.
- ~~\$25,000.00 to \$49,999.99~~ \$50,000 to \$100,000 – A minimum of three quotes must be obtained and documented on each order. Quotes may be obtained by the requesting department or the purchasing department. The requesting department must forward all bid documentation via email, fax, or interoffice mail prior to order processing. It is at the discretion of the purchasing department to determine if the documentation satisfies all purchasing procedures and the purchase is in the best interest of the College District.
- ~~\$50,000.00~~ \$100,000 or more – Bids in this category shall be solely handled by the purchasing department in accordance with applicable law and in compliance with the formal bidding policy and procedures.

Competitive Sealed
Proposals

If competitive sealed proposals are chosen as the purchasing method, the College President or designee shall prepare the request for proposals and/or specifications for items to be purchased. All proposals shall be in accordance with administrative regulations, and the submission of any electronic proposals shall also be in accordance with Board-adopted rules. Proposals received after the specified time shall not be considered. Proposals shall be opened at the time specified, and all proposers shall be invited to attend the proposal opening. Proposals may be withdrawn prior to the scheduled time for opening. Changes in the content of a proposal, and in prices, may be negotiated after proposals are opened.

The College District may reject any and all proposals.

Electronic Bids or
Proposals

Bids or proposals that the College District has chosen to accept through electronic transmission shall be administered in accordance with Board-adopted rules. Such rules shall safeguard the integrity of the competitive procurement process; ensure the identification, security, and confidentiality of electronic bids or proposals; and ensure that the electronic bids or proposals remain effectively unopened until the proper time.

**Responsibility for
Debts**

The Board shall assume responsibility for debts incurred in the name of the College District so long as those debts are for purchases made in accordance with the adopted budget, state law,

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Board policy, and the College District's purchasing procedures.
[See CC] The Board shall not be responsible for debts incurred by persons or organizations not directly under Board control; persons making unauthorized purchases shall assume full responsibility for all such debts.

**Purchase
Commitments**

All purchase commitments shall be made by the College President or designee, in accordance with administrative procedures, including the College District's purchasing procedures.

Personal Purchases

College District employees shall not be permitted to make purchases for personal use through the College District's business office.

**Delinquent
Franchise Taxes**

Each corporation contracting with the College District shall certify that its franchise taxes are current. If the corporation is exempt from payment of franchise taxes or is an out-of-state corporation not subject to Texas franchise tax, it shall certify a statement to that effect. Making a false statement as to corporate franchise tax status shall be considered a material breach of the contract and shall be grounds for cancellation of the contract.