

SCHOOLCRAFT COLLEGE
18600 Haggerty Road, Livonia, Michigan 48152-2696

Purchasing

1. **Purpose** This procedure implements Policy 5110 by establishing the standards, requirements, and processes for the procurement of supplies, materials, movable equipment, and services on behalf of Schoolcraft College. This procedure should be interpreted and applied in a manner consistent with all applicable federal and state laws, regulations, grantor requirements, and all other College policies and procedures, including but not limited to Procedure 5110.2.
2. **Scope:** This procedure applies to all College employees involved in identifying needs, initiating requisitions, approving purchases, managing vendor relationships, receiving goods, or processing invoices. It governs all purchases made with College funds, including general, restricted, grant-funded, and federally funded purchases. All purchasing action under this procedure must adhere to the conflict-of interest provisions established in Policy 1030, and Policy 5110, and any other College policies and procedures addressing conflicts of interest. When federal or state grant funds are used, the procurement requirements of the awarding agency and the Uniform Guidance (2 C.F.R. Part 200) apply and shall supersede less restrictive College requirements.
3. **Definitions:** For purposes of this Procedure, the following terms have the meanings provided below and are to be interpreted consistently with Policy 5110, Procedure 5110.2, and all other applicable College policies and regulations.

Contract Type: A contract's payment structure and allocation of financial risk between the College and the vendor. Contract types include fixed-price, cost-reimbursement, time-and-materials, indefinite-delivery/indefinite-quantity (IDIQ), cooperative or consortium contracts, and noncompetitive (sole-source) contracts. For federally funded procurements, the College must document the rationale for the contract type selected in accordance with 2 C.F.R. § 200.318(j).

Competitive Procurement: A procurement method that ensures full and open competition through quotations, bids, proposals, or use of competitively awarded cooperative contracts.

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Micro-Purchase, Small Purchase, Sealed Bid, or Competitive Proposal: Federal procurement methods and thresholds defined under 2 CFR Part 200 for purchases made with federal funds.

Sole Source Justification: Documentation demonstrates that only one vendor is capable of providing the required goods or services and must meet the criteria under 2 C.F.R. § 200.320(c).

Purchase Order (PO): The official College authorization committing funds for the acquisition of goods or services.

Requisition: An internal request submitted by a department to initiate the purchasing process.

Standard Operating Practice: For purposes of this procedure, a Standard Operating Practice is an established, repeatable purchasing method that a department uses for its specialized needs. These practices must be reviewed and approved by the Purchasing Department before they may be followed.

Independent Estimate: A documented estimate of the expected cost of goods or services prepared prior to soliciting bids or proposals, required for federally funded procurements under 2 C.F.R. § 200.324(a). The estimate must be prepared independently of any vendor input and retained in the procurement file.

Vendor: An entity from which the College purchases goods or services. For federally funded procurements, a vendor is a contractor as defined in 2 C.F.R. § 200.1 and is distinguished from a subrecipient.

4. Required Procurement Procedure Overview: The following provisions establish the required steps, approvals, and standards governing the procurement of goods and services for Schoolcraft College.

4.1 **Specifying Needs:** The purchasing process begins when a department determines that a need exists and notifies the Purchasing Department so that procurement can be initiated. After identifying the need, the department develops specifications that clearly outline, to the extent relevant to the purchase, the required quantity, quality, performance expectations, delivery timelines, technical details, and the applicable funding source. Specifications

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must be written to promote full and open competition and avoid unnecessary restrictions.

- 4.2 Determining the Applicable Procurement Method:** Once specifications are finalized, the Purchasing Department selects the appropriate procurement method based on the appropriate Procurement Threshold.

College Procurement Thresholds

Total Purchase Amount	Procurement Method	Requirements
Less than \$49,999.99	Up to three quotations recommended	None
\$50,000.00 to \$99,999.99	Minimum of three quotations, contract pricing, or sole source justification	Reported to the Board of Trustees on the monthly Purchasing Report
Greater than \$100,000.00	Minimum of three quotations, three competitive bids, contract pricing, or sole source justification	Requires prior approval from the Board of Trustees
Greater than \$1,000,000.00	Publicly advertised competitive bids	Conducted under the direction of the Department of Construction and Design

Federal Procurement Thresholds (2 CFR Part 200):

For purchases made with federal funds, the following Uniform Guidance thresholds apply:

Total Purchase Amount	Procurement Method	Requirements
Less than \$10,000.00	Micro-Purchases	May be made without soliciting competitive quotations if the price is reasonable; purchases must be distributed equitably among qualified suppliers.

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Greater than \$10,000.00 and less than \$250,000.00	Small Purchases	Price or rate quotations must be obtained from at least two qualified sources.
Greater than \$250,000.00	Sealed Bids	Used for fixed-price procurements when specifications are clear and two or more responsible bidders are available; bids must be publicly solicited and opened.
Greater than \$250,000.00	Competitive Proposals	Used when sealed bidding is not appropriate; requests for proposals must be publicly advertised and include evaluation criteria.
No Applicable Dollar Threshold	Noncompetitive Procurement	Allowed only when one of the following applies: public emergency, single-source availability, federal awarding agency approval, or inadequate competition after solicitation.

- 4.3 **Selection of Supply Sources:** The selection of the supply source (vendor) is made at the sole discretion of the Director of Purchasing, who determines which vendors will be solicited and which supplier best meets the College's procurement requirements.
- 4.4. **Federal Procurement Requirements:** Purchases made in whole or in part with federal funds shall comply with the procurement standards in 2 CFR Part 200, including the requirements in §§ 200.317–200.327. When federal, state, grantor, or College requirements differ, the College shall follow the most restrictive requirement. The purchasing department is responsible for identifying when federal funds are being used and for ensuring that all required documentation is submitted with the requisition. The College shall not impose geographic preferences in the evaluation of bids or proposals for federally

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funded procurements, except where expressly permitted under 2 C.F.R. § 200.319(b).

4.5 **Obtaining Quotations, Bids, or Proposals:** Based on the thresholds in Section 4.2, the Purchasing Department solicits quotations, bids, or proposals from qualified suppliers. This step ensures competitive pricing, vendor qualification, and compliance with College procedures and applicable federal and state regulations. For federally funded procurements, an Independent Estimate shall be prepared prior to soliciting bids or proposals, as required by 2 C.F.R. § 200.324(a). The estimate must be retained with the procurement file.

4.5.1 **Documentation Requirements for Federally Funded Purchases:** For purchases supported by federal funds, the requisition must include all documentation required under 2 C.F.R. §§ 200.317–200.327, including:

- Identification of the federal funding source
- Procurement method used
- Evidence of competition or justification for noncompetitive procurement
- Price or cost analysis when required
- Verification of vendor eligibility through SAM.gov
- Any grantor-specific procurement conditions
- The rationale for the Contract Type selected, consistent with 2 C.F.R. § 200.318(j).

Purchasing shall review this documentation before issuing a purchase order.

4.6 **Initiating a Requisition:** Any employee may initiate a requisition for supplies, materials, or services with approval from their immediate supervisor. Requisitions must follow the approval routing requirements established in Procedure 5110.2.

4.7 **Issuing a Purchase Order and Encumbrance:** Upon selection of the supplier, the Purchasing Department issues an official College Purchase Order (PO).

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Funds are encumbered at the time of PO issuance. The requisition initiator receives a PDF copy of the PO for departmental records.

- 4.7.1 **Federal Compliance Verification:** Before issuing a purchase order for a federally funded purchase, Purchasing shall verify compliance with all applicable federal procurement requirements, including vendor eligibility under 2 C.F.R. § 200.214, required contract clauses under 2 C.F.R. § 200.327, and documentation of competition or approved exceptions.
 - 4.8 **Receipt of Goods and Verification:** All deliveries are routed to the Receiving Dock unless Purchasing approves an alternate location. Shipping and Receiving coordinates delivery to the end-user. The requisition initiator or designated end-user must verify and acknowledge receipt of all goods and services.
 - 4.9 **Invoice Processing and Payment:** Accounts Payable reviews vendor invoices and matches them to the corresponding PO and receiving documentation. Invoices are approved and scheduled for payment only when all required information aligns and goods or services have been satisfactorily received.
 - 4.10 **Emergency Procurements:** In circumstances where immediate procurement is necessary to prevent operational disruption, protect health or safety, or address an unforeseen emergency, Purchasing may authorize an emergency procurement. Emergency procurements must be documented with: (1) the nature of the emergency, (2) the reason competitive procurement was not feasible, and (3) the basis for the price. Documentation must be retained in the procurement file.
 - 4.11 **Cooperative and Consortium Purchasing Documentation:** When using cooperative or consortium contracts, Purchasing shall retain documentation demonstrating: (1) that the cooperative conducted a competitive procurement, (2) the contract number and term, and (3) the College's eligibility to participate.
5. **Special Approvals and Restricted Purchases:** The following requirements identify purchases that must be reviewed and approved by designated campus departments before a requisition is submitted, as well as purchases that follow specialized

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purchasing workflows. These approvals do not come from the requester's own department. Instead, they must be obtained from the College department responsible for reviewing that category of purchase.

5.1 Departmental Approvals Required Before Requisition: The purchases listed below require review and approval from the specified College department, which provides the technical, safety, compliance, or operational oversight necessary for that category of goods or services.

Information Technology: Technology-related goods and services must be specified and approved by the Information Technology Department. Examples include keyboards, laptops, software licenses, peripherals, and other technology-dependent equipment.

Purchasing Department: Printer and copier toner, as well as related supplies, must be specified and approved by the Purchasing Department before a requisition is initiated.

Construction & Design: Construction and Design is responsible for reviewing and validating the parameters and specifications of proposed furniture and space-planning items. This review ensures that selections align with campus standards, space utilization requirements, and design compatibility. Examples include desks, chairs, filing cabinets, whiteboards, and other furnishings or space-planning items.

Facilities Management: Facilities Management is responsible for reviewing and validating proposed appliances or equipment that require utilities such as electricity, gas, or water. This review ensures that the items is compatible with existing infrastructure, can be safely installed, and meets operations requirements. Examples include microwaves, refrigerators, air purifiers, and similar utility-dependent equipment.

These approvals must be obtained before quotes are solicited and before a requisition is initiated.

5.2 Exempt Departmental Purchases: The following departments operate under authorized purchasing exemptions due to the specialized nature of their operations. These exemptions mean that the department may follow its own approved purchasing workflow instead of the standard purchasing process described in this procedure.

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Bookstore: The Director of the Bookstore and Bookstore Managers are authorized to issue purchase orders for all resale items in accordance with established Bookstore procurement and inventory Standard Operating Practices.

Culinary Operations: The Associate Director of Culinary Operations and the Program Coordinator are authorized to purchase food and operational goods and services necessary for instructional and commercial culinary activities using established Standard Operating Practice. These purchases are delivered directly to designated food receiving areas and do not require College purchase orders. Authorized items include, but are not limited to, fresh foods, pantry items, beverages, specialized equipment cleaning supplies, disinfectants, laundry service, and kitchen mat exchange service.

Library: The Learning Support Services department is authorized to purchase circulation materials from approved vendors by issuing confirming purchase orders and approving all invoices prior to payment in accordance with Standard Operating Practices. Authorized items include, but are not limited to, library books, audiovisual materials, catalog cards, and subscription renewals.

6. Federal Procurement Requirements: The following requirements apply to all purchases made in-whole or in part with federal funds and established the standard necessary to ensure full compliance with the Uniform Guidance (2 C.F.R. Part 200) and all applicable federal procurement regulations.

6.1 Competition Requirements : All federally funded procurements must ensure full and open competition and avoid:

- Unreasonable requirements
- Noncompetitive pricing practices
- Brand-name-only specifications without “or equivalent”
- Conflicts of interest or biased specifications

The College shall not require unnecessary bonding, insurance, or experience requirements that restrict competition, except where required by federal or state law.

6.2 Conflict of Interest Standards: Employees may not participate in procurement decisions if they have a real or apparent conflict of interest.

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Acceptance of gifts or favors from contractors is prohibited except for items of nominal value. Violations may result in disciplinary action up to termination.

6.3 Contract Oversight and Performance Monitoring: The College must monitor contractor performance, document compliance, and address deficiencies promptly.

6.4 Documentation and Recordkeeping Requirements: All procurement actions must document:

- Rationale for procurement method
- Contractor selection or rejection
- Basis for contract price
- Justification for noncompetitive procurement (if applicable)

For noncompetitive procurements using federal funds, a cost analysis shall be conducted in accordance with 2 C.F.R. § 200.324(b).

6.5 Inclusion of Small and Disadvantaged Businesses: Affirmative steps must be taken to include small, minority-owned, women-owned, veteran-owned, and labor-surplus-area businesses.

6.6 Required Federal Contract Clauses: Contracts supported by federal funds shall include all clauses required by 2 C.F.R. § 200.327 and Appendix II to Part 200. Purchasing is responsible for ensuring that these clauses are incorporated before contract execution.

6.7 Vendor Eligibility and Debarment Verification: For federally funded purchases, Purchasing shall verify that the selected vendor is not suspended or debarred from federal contracting, as required by 2 C.F.R. § 200.214, and shall retain documentation of the SAM.gov verification.

7. Responsibilities: The following responsibilities establish the roles and obligations of College departments and personnel involved in the procurement process and ensure that purchasing activities are carried out in a compliant, coordinated, and efficient manner.

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7.1 Purchasing Department

- Ensuring that all purchasing actions comply with Policy 5110, this Procedure, Procedure 5110.2, applicable federal and state laws, grant requirements, and regulatory guidance.
- Determining the appropriate procurement method and selecting supply sources in accordance with College procurement thresholds and competitive purchasing standards.
- Managing vendor relationships, maintaining competitive procurement practices, and serving as the College's primary point of contact for vendor performance concerns and corrective actions.
- Issuing official College purchase orders and encumbering funds once all required approvals and documentation have been obtained.
- Maintaining warehouse inventory of commonly used office, instructional, and maintenance supplies to support timely and cost-effective procurement.
- Coordinating with Accounts Payable, departments, and other campus units to ensure accurate documentation, proper matching of invoices, and resolution of discrepancies.
- Ensuring that procurement activities involving federal or grant funds meet all applicable Uniform Guidance requirements, including documentation, competition, and contractor oversight.

7.2 Accounts Payable

- Reviews and processes vendor invoices and ensures proper matching to purchase orders and receiving documentation.
- Coordinates with Purchasing and departments when discrepancies arise.

7.3 Construction & Design / IT / Facilities

- Provide required technical, safety, compliance, or infrastructure-related approvals for purchases within their areas of responsibility.
- Ensure that technical requirements and operational standards are met before goods or services are accepted.

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7.4 Inventory Supervisor

- Maintains capital asset records and ensures compliance with asset management requirements in accordance with Procedure 5110.14.
- Coordinates with departments to ensure accurate tagging, tracking, and reporting of capital assets.

7.5 Vendor Performance Oversight: The College is responsible for ensuring that vendors perform in accordance with contract terms, specifications, and applicable requirements. Oversight responsibilities apply to all purchases, including those funded with College resources and those supported by federal, state, or other grant funds.

Departments are responsible for monitoring vendor performance within their operational areas. This includes verifying delivery, installation, or service performance; confirming that goods or services meet required specifications; documenting any deficiencies; and ensuring that goods or services are used appropriately and in accordance with contract requirements.

For grant-funded purchases, departments must also ensure that the use of goods or services comply with all applicable grant conditions. Departments using federal funds must identify the federal funding source at the time specifications are developed and ensure that all procurement actions comply with 2 C.F.R. Part 200, including requirements related to competition, documentation, independent estimates, cost or price analysis, contractor oversight, and grantor-specific conditions. Departments must submit all required federal documentation with the requisition

The Purchasing Department leads the College's response to vendor performance concerns. Upon notification from the requesting department, Purchasing will communicate deficiencies to the vendor, request corrective action, and determine whether additional contractual remedies are required. When grant funds are used, Purchasing ensures that corrective actions and documentation meet federal, state, or grantor requirements.

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- 8. Related Policies and Procedures:** The following procedures relate to and support the requirements of this procedure as they collectively support the College's procurement, expenditure, asset-control, and administrative operations framework:

Procedure 5110.2 – Approval of Requisitions

Procedure 5110.3 – Check Requests

Procedure 5110.11 – Credit Cards and Purchasing Cards

Procedure 5110.12 – Professional Services – Independent Contractors

Procedure 5110.14 – Capital Equipment Control and Records

Procedure Governance Information

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