



B. CONTRACT AGREEMENTS

I. OVERVIEW

A Contract (CO) originated as a Request for Contract (RFC) is used to procure personal or professional services, equipment maintenance, leases of equipment, real estate, grants, student health center services, student intern arrangements and other services and products for which a short-term agreement, purchase order or a limit order is not appropriate. Written quotes from three or more potential contractors are needed prior to obtaining services except when compatible parts and servicing is a demonstrated need or grant guidelines require otherwise. The original quotes are kept on file with the College in the purchase transaction file. These transactions are initiated at the Colleges and require approval by the College President or Vice President of Administrative Services. Contracts not requiring formal bid are routed by the College to either the College Procurement Specialist (accompanied by any quotes collected) to review, release and convert. Contracts requiring formal bid or involving special circumstances are sent directly to the District Contracts & Purchasing Manager to review, release and complete.

II. PROCESS

- A. A Contract is initiated as a Request for Contract (RFC) and entered at the initiating location. The RFC should contain the following information: (1) a specific description of what is being procured and purpose; (2) unit cost and total contract cost; (3) contract term; and other specific terms or conditions relevant to the transaction. The RFC should also state if the transaction is a new contract, an amendment to an existing contract or an encumbrance of additional funds. If it is an amendment to an existing contract, the existing contract number should be provided.
- B. For an RFC of \$5,000 and less, after it is converted into a Contract (CO), two originals of the agreement are sent to the contractor for signature and returned to the originating college for signature by the Vice President of Administrative Services. One original is retained on campus and the other is returned to the contractor. A copy of the fully signed contract should be sent to the College Procurement Specialist .
- C. For RFCs over \$5,000 up to the statutory bid threshold (presently \$65,100), the RFC is electronically approved by the initiating College Vice President of Administrative Services and the document routes to



the College Procurement Specialist for review, release and conversion into a contract after review of any backup documents provided by the initiator. Two originals of the contract are sent to the contractor for signature and return to the initiating college Vice President of Administrative Services for signature. One executed original is sent to the contractor and the second original is sent to and retained by the College Procurement Specialist. A certified copy is sent to the initiating college Vice President of Administrative Services for the campus purchasing file.

- D. Contracts transacted by the colleges or at the regional level are to be reported by the College Procurement Specialist for ratification at the a board meeting within sixty (60) days of commencement of the contract.**
- E. Contracts not delegated to the College Presidents for transaction under Administrative Regulation B-19 are to be processed by the District Contracts and Purchasing Section. The RFC for these transactions are entered at the initiating colleges and are electronically reviewed, approved and released by the Vice President of Administrative Services. Once the contract transaction has been electronically released by the Vice President, the District Contracts & Purchasing Manager must also review, approve and release the contract in the procurement database system. If required, a formal bid or formal request for proposal may be initiated by the District Contracts Section.**
- F. For a RFC initiated for Specially Funded Program (SFP) grants, with no cost associated with the transaction, all relevant backup documents must be sent to the College Procurement Specialist to convert the RFC into a CO and prepare the board agenda item. The backup documents include a paper Contract Request Form signed by the Program Director and the Vice Presidents of Academic Affairs and Administrative Services, the official Award Letter, copies of the grant contract and a copy of the Budget Transfer Authorization (BTA). Once the RFC is converted into a CO, the College Procurement Specialist drafts the agenda item for board ratification and sends two signed copies of the contract (or as many as the granting agency requires) to the granting agency for their signature and return of one copy to the District. This copy needs to be held on file with the College Procurement Specialist for auditing purposes.**



C. LIMIT ORDER AGREEMENTS

I. OVERVIEW

- A. A Limit Order Agreement (LOA) is a contract used to procure the services of athletic officials for college sporting events. The LOA was created to provide an efficient means of contracting for athletic official services through the financial and procurement system. An LOA is handled at the colleges and require signed approval by the Athletic Director on the Athletic Voucher Form. The Vice President of Administrative Services must release the LOA in the procurement system. The LOA also requires the CPS release in the system.

II. PROCESS

- A. The initiating College verifies that a vendor identification number exists for the athletic official or requests that the official be entered in the system as a new vendor.
- B. An RFC (Request for Contract) is entered in the system by the college athletic department prior to the athletic season, indicating on the line item that the document is intended to create a Limit Order Agreement. A separate line item should be created to designate each athletic sport and distinct cost center. The RFC must be issued using the "one time vendor code". Individual partner codes will be used to invoice and issue checks to the specific officials performing the services covered by the Limit Order Agreement. As a result, it is still important that an initiator of an LOA check to confirm that the official has a vendor number in the procurement system.
- C. Once approved the RFC is then converted into a Limit Order Agreement by the College Procurement Specialist. The Limit Order must be released by the Vice President of Administrative Services.
- D. Prior to each athletic event, the athletic official must sign the Athletic Voucher Form. The Athletic Director or Athletic Coach will request the official to sign the voucher form agreeing to the terms and conditions of the LOA. The athletic official should verify his or her social security number and address on the form. Once the form is signed by the official, the Vice President of Administrative Services will authorize payment by also signing the voucher form.
- E. All Limit Order Agreements must be ratified by the Board of Trustees within 60 days of issuance. Screen prints of the Limit Order



Agreements with both parties' signatures are to be forward to the appropriate College Procurement Specialist.

- F. The original Athletic Voucher Form shall be maintained by the Vice President of Administrative Services.

D. LEGAL AUTHORITY AND CITATIONS

<http://sap.laccd.edu/sap/forms/>