

CHANCELLOR INFORMATIONAL ITEMS

March 17, 2021

INFORMATION ONLY: **Matrix Discussion for Revisions to Board Policy 7010; Purchases; Bids; Public Lettings, Board Policy 7015; Contracts; Limitations, Exemptions, Board Policy 8064; Capital Construction and Information Technology (IT); Bids, Board Policy 8065; Capital Construction; Contracts; Approvals, and Board Policy 8066; Capital Construction; Contracts; Professional Consulting Services and Deletion of Board Policy 7016; Contracts; Consulting Services, Board Policy 8067; Capital Construction; Contracts; Works of Art and Board Policy 8068; Capital Construction; Contracts; Forms, Payments**

A team of leadership and staff from the System Office and the three State Colleges are undertaking a project to update and revise seven (7) Board policies that address procurement and contracts. The goal is to simplify and clarify the policies to increase efficiency, and to reduce the potential for confusion and errors that can lead to auditor findings. Also, a number of thresholds for bidding and contract approval are overdue for adjustments.

For information and discussion, the attached draft summary-matrix dated January 21, 2021, provides a high-level explanation of the proposed revisions separated into Tier 1 (Large Substantive), Tier 2 (Medium Substantive) and Tier 3 (Small Substantive) changes. Based on Board input, the team will go forward with drafting and finalizing the actual policy revisions for approval at a future Board meeting.

ATTACHMENTS:

- [Contracts-Procurement Policies Revisions Summary](#) (PDF)

NSCS Contracts-Purchasing Policies Proposed Revisions Summary (Draft)

Original Draft Date: January 21, 2021

Revised Date:

Rec. Item	Policy No.	Recommended Proposed Revisions - Summary	Reference to Issues Summary No.
		Tier 1 – Large Substantive Proposed Revisions:	
		<i>Highlight indicates same thresholds recommended in 1-12-2021 documents.</i>	
A	7010	For 7010 (General supplies/services) purchases, raise open solicitation limit to \$25,000 to be consistent with state law for other agencies, and raise the threshold for Formal Bidding to \$75,000 .	No. 4
B	8064	For 8064 (Construction, IT & FFE...) purchases, raise open solicitation limit to \$50,000 and raise the Formal Bidding threshold to \$150,000 .	No. 13
C	7015 & 8065	Except for Exempt contracts & partnerships/study abroad, all consulting and RB auditor contracts, and change orders require Board approval threshold at \$150,000/year , and construction/other contracts at \$300,000/year . Report to Board at \$100K for contracts; \$50K for change orders.	Nos. 15, 25, 25.1
D	7010, 7015, 8064 to 8068	Create a new contracts guidance publication separate from the policies. Remove all contracts guidance from policies and place in new guidance publication, which will include...purchase orders, when a contract is required, sections for construction/IT including AIA forms, online agreements, Short Form/Long Form, specific required provisions, and resident disabled veteran business notification on bid forms.	Nos. 3, 9.1a, 9.1d, 9.2, 10, 12, 17.2a-c, 18, 19, 24
E	7015, 7016, 8065 & 8067/68	Merge policies 8067 and 8068 into 8065 . All three pertain to construction/IT contracts. Also merge 7016 Consulting Contracts (does not include A/E & IT consulting) into 7015 . Both pertain to Board approvals of contracts.	Nos. 20, 23, 25, 25.1

Rec. Item	Policy No.	Recommended Proposed Revisions - Summary	Reference to Issues Summary No.
		<u>Tier 2 – Medium Substantive Proposed Revisions:</u>	
F	7010 & 8064	Additional Exceptions to the bidding process: all fuels/wood chips, lodging, airfare, used items, library acquisitions, medical clinic & nursing services, game guarantee agreements, and institutional IT products & services collaborations.	Nos. 1, 6, 7, 9.3, 13.3
G	7015	Revise/clarify Exempt contracts: #8 add admissions/recruitment contracts , #9 add vehicles , #10 add ALL equipment , and #11 add wood chips.	Nos. 8, 17, 17.2e
H	7010 & 8064	Incorporate Pilot project systems expansion as an addition to existing systems in the sole source criteria.	Nos. 9, 13.2
I	8064	Revise "less than 3 bids" to mirror 7010: no Vice Chancellor approval if bid advertising documented. Also clarify that vehicles are equipment and subject to 8064 purchasing provisions (not 7010).	No. 11
J	8066	Add IT consulting provisions into 8066 , and add Pilot project as consulting services. Revise selection committee membership to eliminate licensed A/E and SBD representative. Eliminate requirement for FFA committee to take selection recommendation to Board (not current practice).	Nos. 13.2, 27, 29, 30
K	8067	In 1% for Art, section 3 , revise for Arts Council guidance (no DAS notification), and eliminate FFA committee taking recommendation to Board prior to Board action (not current practice).	No. 22
		Continued on Page 3	

Rec. Item	Policy No.	Recommended Proposed Revisions - Summary	Reference to Issues Summary No.
		<u>Tier 3 – Small Substantive Proposed Revisions:</u>	
L	8064	Clarify that Formal Bidding advertising has different requirements for Construction versus IT/equipment/other items in 8064.	No. 9.1c
M	7010 & 8064	Move " consult with CIO " provision in 8064 to front of the policy, and duplicate in 7010 . Clarify that vehicles and ALL equipment are governed by 8064 , and that admissions/recruitment is under 7010 .	Nos. 5, 8, 9.1a, 9.4
N	7015	Clarify the " contracts exploring the potential for future substantive contracts " language.	No. 17.2d
O	8065	Explicitly include IT contracting in revising 8065.	No. 18
P	ALL	<u>Clean-Up & Correction Revisions:</u> All other recommended revisions are considered to be clean-up, or corrective in nature.	Nos. 2, 13.1, 14, 16, 17.1, 17.3, 21, 24.1, 26, 28

NOTES: