



CENTRAL OREGON
community college

CENTRAL OREGON
COMMUNITY COLLEGE
Board of Directors' Meeting – AGENDA
Wednesday, February 8, 2012 – 6:00 PM
Christiansen Board Room
Boyle Education Center

TIME**	ITEM	ENC.*	ACTION	PRESENTER
6:00 pm	I. <u>CALL TO ORDER</u>			Ford
6:05 pm	II. <u>INTRODUCTION OF GUESTS</u>			
6:09 pm	III. <u>AGENDA CHANGES</u>			
6:10 pm	IV. <u>PUBLIC HEARING AND TESTIMONY</u> A.			
6:15 pm	V. <u>CONSENT AGENDA***</u> A. Minutes 1. Regular – January 11, 2012 B. Personnel 1. New Hire Report (January 2012) C. Approval to Hire (Schulz)	5.a1 5.b1 5.c	X X X	Smith Buckles Buckles
6:20 pm	VI. <u>INFORMATION ITEMS</u> A. Financial Statements (Dec. 2011) B. Construction Projects - Update C. Learning Community, COCC/OSU-Cascades D. Institutional Effectiveness-Student Success E. General Education Outcomes Data Exchange (GEODE) F. Enrollment Report – Winter Term G. GradTracks (online degree audit system)	6.a 6.b 6.d*		Bloyer ^A McCoy ^A Holtzclaw ^P Pierce ^P Hilgersom/Klett ^P Moore ^P Moore ^P
7:20 pm	VII. <u>OLD BUSINESS</u> A. Accreditation Update Review of Chapters 3 & 5 - Comments B. Degree Works Implementation – Overview			Hilgersom ^P Moore ^P
7:50 pm	VIII. <u>LOCAL PUBLIC CONTRACT REVIEW BOARD</u> A. <u>Adjourn</u> as COCC Board of Directors Mtg. B. <u>Convene</u> as Local Public Contract Review Board 1. Procurement Rule Changes a. Rule Change Summary b. Proposed Rule Changes C. <u>Adjourn</u> as Local Public Contract Review Board D. <u>Convene</u> as COCC Board of Directors Mtg.	8.b1 8.b1a 8.b1b	X	Mosier ^P
8:00 pm	IX. <u>NEW BUSINESS</u> A. Newberry Hall – Remodel B. Boyle Education Center – Remodel	9.a* 9.b*	X X	McCoy ^P McCoy ^P



CENTRAL OREGON COMMUNITY COLLEGE
Board of Directors' Meeting – MINUTES
Wednesday, January 11, 2012 – 6:00 PM
Christiansen Board Room
Boyle Education Center Building

PRESENT: David Ford, Dr. Joyce Lynn Garrett, Donald Reeder, Bruce Abernethy, Charley Miller, Anthony Dorsch, John Overbay, Ed Fitch-Board Attorney, Dr. James Middleton-President, Julie Smith-Executive Assistant

INTRODUCTION OF GUESTS: Karin Hilgersom, Matt McCoy, Kevin Kimball, Ron Paradis, Alicia Moore, David Dona, Joe Viola, Michael Holtzclaw, Leslie Minor, Jennifer Newby, Shirley Metcalf, Lisa Bloyer, Jim Weaver, Tom Barry-FF President, Gene Zinkgraf, Rick Hayes, Dan Cecchini, Joe Krenowicz and Laura Cooper-Budget Committee members, Stuart Katter of Kerkoch Katter & Nelson, LLP, Patrick Cliff-The Bulletin and others.

PUBLIC HEARING AND TESTIMONY:

Mr. Dan Cecchini-Director of Information Technology reported on his recent trip in December to Abu Dhabi/United Arab Emirates. Dan was chosen to represent the United States at the International Festival of Falconry – he has been involved with falconry for more than 40 years.

REPORTS:

2011 Audit Report – Handout: 5.a

Mr. Stuart Katter of Kerkoch Katter & Nelson LLP – Certified Public Accountants, reviewed the highlights of the “2011 Audit.” He reported that the auditors gave the college a “Clean Opinion” report which means that COCC’s financial condition, position, and operations are fairly represented in the financial statements. A “Clean Opinion” is the best type of report to receive from an external auditing firm.

President Middleton and the Board of Directors’ thanked and complimented Kevin Kimball-CFO; David Dona-Associate CFO; Lisa Bloyer-Accounting Director; Lori Ortiz-Payroll, and Jan Fisher-Accounts Payable and the entire fiscal services staff working at all four of COCC’s campuses (accounting, payroll and financial aid) for their good work.

Revenue and Expenditure Forecast – Handout: 5.b

Mr. David Dona-Associate Chief Financial Officer reviewed (Handout: 5.b) noting that even though property tax revenues are down \$300K from the last fiscal year, it is still \$435K higher than was projected.

2012-13 Budget Discussion

President Middleton gave a PowerPoint overview of “choices and strategies” as the college begins work on the 2012-13 budget – listing changes facing the college:

- Property tax revenues linked to rising property values disappeared and now decreasing;

- State funding 'per student' has declined;
- Enrollment growth no longer generates additional State revenue (change in funding formula);
- COCC is no longer considered a "small college" working to adjust staffing and infrastructure to recent 5-year growth;
- Larger size leverages some advantages and creates complexities;
- COCC is now a four-campus college;
- State, national and student expectations demand strong outcomes and significantly broader and coordinated data, information and reporting;
- Education is more important than ever to the nation and region's future.

President Middleton also reviewed key priorities in putting the budget together and noted that COCC has the lowest combined tuition and fee totals for students – than any of the other community colleges in Oregon and he anticipates that this will keep COCC in the bottom three for the coming year.

He added that he will look to cut an additional \$100K from the current budget proposal to assure balance in helping the college achieve identified key priorities.

CONSENT AGENDA:

Mr. John Overbay moved to approve the Consent Agenda (Exhibit: 6). Mr. Bruce Abernethy seconded. MCU. Approved. M01/12:1

BE IT RESOLVED that the Board of Directors' reviewed and approved the December 2011 Meeting Minutes (Exhibits: 6.a1);

BE IT RESOLVED that the Board of Directors' approved the December 2011 New Hire Report (Exhibit: 6.b1);

BE IT RESOLVED that the Board of Directors' approves the 2nd Reading of Media Attendance in Executive Session (Exhibits: 6.c);

BE IT RESOLVED that the Board of Directors' approved the change in Mileage/Meal Per Diem Rates (Exhibit: 6.d);

BE IT RESOLVED that the Board of Directors' accepted the 2011 Audit Report (Exhibit: 6.e).

INFORMATION ITEMS:

Financial Statements – (Exhibit: 7.a)

The Board of Directors' were apprised of the November 2011 Financial Statements.

Construction Projects – Update (Exhibit: 7.b)

Vice President for Administration-Matt McCoy gave a Construction Projects Update.

Season of Nonviolence (Exhibit: 7.c)

Ms. Alicia Moore –Dean of Student Services reported on the college's program events celebrating the "Season of Nonviolence." A "Season for Nonviolence" is a national educational, media and grassroots campaign dedicated to demonstrating that nonviolence is a powerful way to heal,

transform, and empower our lives and communities. Inspired by the 50th and 30th memorial anniversaries of the deaths of Mahatma Gandhi and Dr. Martin Luther King, Jr., this international event honors their vision for an empowered, nonviolent world.

The Nancy R. Chandler Visiting Scholar Program, the COCC Office of Multicultural Activities, the Office of Student Life and OSU-Cascades, along with other campus and community partners, are sponsoring the fourth annual "Season of Nonviolence" during the months of January and February 2012.

Student Leadership Program (Exhibit: 7.d)

Ms. Alicia Moore reviewed that COCC and OSU-Cascades' provide students several opportunities to become involved in leadership by participating in the following: student government; student newspaper; residence hall; admissions ambassador and multicultural activities.

COCC and OSU-Cascades currently have 41 students participating in the program.

OLD BUSINESS

Accreditation Update: (Exhibit: 8.a)

Dr. Karin Hilgersom-Vice President for Instruction gave an update on the "Accreditation Status and Next Steps."

President Middleton thanked Dr. Hilgersom and her team for the tremendous amount of good work that has gone into "putting the documents together."

NEW BUSINESS:

President's Financial Certifications (Exhibits: 9.a & 9.a1)

Dr. Joyce Lynn Garrett moved to accept the President's Financial Certifications (Exhibits: 9.a & 9.a1). Mr. Bruce Abernethy seconded. MCU. Approved. M01/12:2

Architectural Design Services (Exhibit: 9.c)

Mr. Matt McCoy-Vice President for Administration, Mr. Gene Zinkgraf-Director of Construction and Mr. Rick Hayes-Construction Project Manager, presented information about the college's work on student housing, requesting Board approval to negotiate for architectural services for the initial schematic designs for campus housing.

The Board agreed to move forward by consensus to proceed with a two-step process.

Mr. Bruce Abernethy moved to authorize President Middleton or his designee to negotiate a contract for Project Architectural Services for the Residential Housing Building with Mahlum Architects and then to be presented to the Board of Directors for final approval. (Exhibit: 9.c). Dr. Joyce Lynn Garrett seconded. M01/12:3

BOARD OF DIRECTORS' OPERATIONS:

Board Member Activities

Mr. Dorsch None to Report

Mr. Miller HSW Builders "Thank You" BBQ
Real Estate Committee Meeting

Mr. Overbay Real Estate Committee Meeting

Dr. Garrett Audit & Finance Committee Meeting via Skype
OCCA Executive Committee Conference Call
OCCA Education Committee (Planning for 50th Anniversary celebration)
Met w/past Board Member Connie Lee

Mr. Abernethy Worked on Accreditation
Prelim discussions regarding joint Grant

Mr. Reeder Real Estate Committee Meeting
Madras Pioneer newspaper article re: Madras Campus

Mr. Ford HSW Builders "Thank You" BBQ
Agenda Review Meeting w/President Middleton
Real Estate Committee Meeting
Audit and Finance Committee Meeting

PRESIDENT'S REPORT:

- OEIB Roadshow: January 23 @ 6:30pm in Wille Hall
Overview on Initiatives
Early Childhood, K12 & Higher Ed. Presentations.
- Culinary Extravaganza with Ruth Reichl (Private Reception at the Jungers Culinary Center)
(Open to the Public @7pm-Wednesday, February 15-Bend High School \$15.&\$25.)
Author, food critic, former editor-in-chief of Gourmet magazine, and judge on Bravo's
Top Chef Masters. Recipient of six James Beard Awards, Reichl played an integral part in
America's culinary revolution as chef and co-owner of The Swallow Restaurant in Berkeley.

ADJOURNED: 8:50 PM

APPROVED;

ATTEST TO;

Mr. David Ford-Board Chair

Dr. James E. Middleton, President

Exhibit: 5.b1
February 8, 2012
Approve: ___ Yes ___ No
Motion: _____

**Central Oregon Community College
Board of Directors
NEW HIRE REPORT – January 2012**

Name	Date Hired	Job Title
Classified Full-Time		
Manley, Susan	1/03/2012	Admin Assist 1 - CIS Dept
Rucci, Denise	1/17/2012	Admin Asst 1 – Cont Ed
Non-Faculty / Nonbenefitted		
Asigri, Elizabeth	1/09/2012	Non-Faculty
Non-benefitted Instructor		
Keane, Peter	1/12/2012	
Russell, Lynn	1/15/2012	Part-Time Faculty
Bennett, Woodson	1/05/2012	
Brown, Justin	1/05/2012	Part-Time Faculty
Caligure, Kenda	1/05/2012	Part-Time Faculty
Deer, Curtis	1/05/2012	Part-Time Faculty
Evans, Brian	1/05/2012	Part-Time Faculty
George, Roxanne	1/05/2012	Part-Time Faculty
Hagen, Laura	1/05/2012	Part-Time Faculty
Kramer, Jason	1/12/2012	
Kraus, Mariah	1/05/2012	Part-Time Faculty
Martinez, Marina	1/05/2012	Part-Time Faculty
Schweizer, Gregory	1/09/2012	Part-Time Faculty
Shepherd, Leila	1/05/2012	Part-Time Faculty
Snow, Melanie	1/05/2012	Part-Time Faculty
Toll, Leslie	1/05/2012	Part-Time Faculty
Van Diest-Kolb, Heather	1/05/2012	Part-Time Faculty
Temporary Hourly		
Jones, Walter	1/19/2012	Student Workers
Lyman, Nicholas	1/03/2012	EMT Lab Assistant
Michelsen, Scott	1/01/2012	Unclothed Art Model
Mogden, Barbara	1/09/2012	
Rufener, Kimberly	1/03/2012	EMT Lab Assistant
Townsend, Zachary	1/10/2012	Student Workers
Wilder, Alyssa	1/09/2012	

Central Oregon Community College
Board of Directors

RESOLUTION

Prepared by: Eric Buckles-Director of Human Resources

A. Action Under Consideration

Approve employment contract / promotion for **JERRY SCHULZ**, Full-time Director of Continuing Education.

B. Discussion/History

The employment contract for JERRY SCHULZ is for an administrative position. This position was filled through an internal department search.

C. Options/Analysis

Approve the employment contract for JERRY SCHULZ.
Decline approval of the employment contract for JERRY SCHULZ

D. Timing

This position is appointed for a 12 month employment contract each fiscal year. For the 2011-12 fiscal year the initial employment contract period will be from February 1 through June 30, 2012. As with all other exempt employees, a new contract will be prepared for the next fiscal year that begins July 1.

E. Recommendation

Be it resolved that the Board of Directors of Central Oregon Community College hereby approves the employment contract for JERRY SCHULZ.

F. Budget Impact

The salary conforms to the salary schedule approved by the Board.

G. Miscellaneous

Jerry has served as the Office Operations Manager of the Continuing Education Dept. for the past two years. He provided overall management and technical support, worked with budget and key term reports, and led the department in its transition to a web-based registration system. Prior to joining COCC, he was the President of Executrain of San Francisco and managed four campuses, more than 50 teachers and IT consultants, and 20 plus classrooms. He was also the founder and president of Computer Resources Centers, Inc. for seven years.

COCC is very honored to have Jerry Schulz as the new Director of Continuing Education. His years of experience and success while employed in both the private and public sectors make him well qualified to lead this entrepreneurial department.

Central Oregon Community College
Monthly Budget Status
Highlights of December 2011
Financial Statements

Cash and Investments

The Colleges' operating cash balances currently total \$30 million. The December average yield for the Local Government Investment Pool remains unchanged at .50 percent.

The investments of \$8.3 million represent proceeds from the sale of the general obligation bonds. An investment matured in December and the funds were reinvested in short term Bankers Acceptance and Commercial Paper. The bond proceeds held in cash and investments total \$19.8 million as of the end of December. Approximately \$1.9 million was spent on bond related construction projects during the month.

General Fund Revenues

Tuition and fee revenue increased an additional \$860,000 from November, which is a reflection of the continuation of winter term registration. The college received an additional \$843,000 in property tax payments representing 87 percent of the budget. All transfers have been posted for the year including \$250,000 from the PERS reserve account.

General Fund Expenses

The expenses include the approved inter-fund transfers for the fiscal year at this point in time.

Budget Compliance

All appropriation categories are within budget.

Central Oregon Community College

Cash and Investments Report
As of December 31, 2011

College Portfolio	<u>Operating Funds</u>	<u>Bond Funds</u>	<u>Trust/Other Funds</u>
Cash in State Investment Pool			
Pool account 4089	\$29,218,906.37		
Pool account 5482			\$338,044.85
Pool account 3624			\$381,047.84
Pool account 3816		\$10,674,888.08	
Pool account 3707		\$373,725.11	
Pool account 3844		\$323,748.54	
Pool account 3848		\$55,991.78	
Pool account 3847		\$107,337.82	
December Average Yield .50%			
Cash in USNB	\$794,122.02		
Cash in USNB - Bond Funds		\$0.00	
Cash on Hand	\$3,900.00		
Total Cash	<u>\$30,016,928.39</u>	<u>\$11,535,691.33</u>	<u>\$719,092.69</u>
Investments			
Bankers Acceptance			
Yield .386%, due 2-14-12		\$399,729.78	
Yield .457%, due 3-5-12		\$755,206.20	
Commercial Paper			
Yield .361%, due 6-5-12		\$5,000,000.00	
Yield .355%, due 6-11-12		\$2,196,107.22	
Total Investments	<u>\$0.00</u>	<u>\$8,351,043.20</u>	<u>\$0.00</u>
Total Cash and Investments	<u><u>\$30,016,928.39</u></u>	<u><u>\$19,886,734.53</u></u>	<u><u>\$719,092.69</u></u>

Central Oregon Community College
Monthly Budget Status
December 2011

Exhibit 6a
08-Feb-12

<u>General Fund</u>	<u>Adopted Budget</u>	<u>Year to Date Activity</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Percent of Budget</u>	<u>Percent of Prior Year Budget</u>
Revenues					
District Property Taxes:					
Current Taxes	\$ 10,924,000	\$ 10,236,627	\$ (687,373)	93.71%	87.25%
Prior Taxes	939,000	477,031	(461,969)	50.80%	72.35%
Tuition and fees	18,323,000	11,904,721	(6,418,279)	64.97%	66.70%
State Aid	5,610,000	2,601,679	(3,008,321)	46.38%	34.48%
Interest & Misc. Income	8,000	10,218	2,218	127.73%	23.44%
Transfer-In	856,000	856,000	-	100.00%	100.00%
Total Revenues	\$ 36,660,000	\$ 26,086,276	\$ (10,573,724)		
Expenses by Function					
Instruction	\$ 16,752,368	\$ 6,525,328	\$ 10,227,040	38.95%	39.71%
Academic Support	2,856,604	1,218,088	1,638,516	42.64%	36.73%
Student Services	4,023,863	1,713,081	2,310,782	42.57%	42.19%
College Support	4,655,263	2,281,036	2,374,227	49.00%	52.05%
Plant Operations and Maintenance	3,461,348	1,476,661	1,984,687	42.66%	43.88%
Information Technology	2,747,718	1,406,939	1,340,779	51.20%	47.51%
Financial Aid	11,954	847	11,107	7.09%	24.34%
Contingency	800,000		800,000	0.00%	0.00%
Transfers Out	3,123,399	2,852,749	270,650	91.33%	100.00%
Total Expenses	\$ 38,432,517	\$ 17,474,729	\$ 20,957,788		
Revenues Over/(Under) Expenses	\$ (1,772,517)	\$ 8,611,547	\$ 10,384,064		

**Central Oregon Community College
Monthly Budget Status
December 2011**

Exhibit 6a
8-Feb-12

<u>Other funds:</u>	<u>Adopted Budget</u>	<u>Year to Date Activity</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Percent of Budget</u>	<u>Percent of Prior Year Budget</u>
Debt Service Fund					
Revenues	\$ 4,122,691	\$ 3,481,128	\$ (641,563)	84.44%	78.76%
Expenses	4,105,065	1,864,629	2,240,436	45.42%	45.96%
Revenues Over/(Under) Expenses	\$ 17,626	\$ 1,616,499	\$ 1,598,873		
Grants and Contracts Fund					
Revenues	\$ 6,229,822	\$ 491,169	\$ (5,738,653)	7.88%	26.92%
Expenses	6,208,404	644,698	5,563,706	10.38%	29.14%
Revenues Over/(Under) Expenses	\$ 21,418	\$ (153,529)	\$ (174,947)		
Capital Projects Fund					
Revenues	\$ 8,994,912	\$ 2,670,459	\$ (6,324,453)	29.69%	21.50%
Expenses	37,427,052	14,871,736	22,555,316	39.74%	21.12%
Revenues Over/(Under) Expenses	\$ (28,432,140)	\$ (12,201,277)	\$ 16,230,863		
Enterprise Fund					
Revenues	\$ 6,380,813	\$ 2,203,034	\$ (4,177,779)	34.53%	44.79%
Expenses	6,107,081	2,663,349	3,443,732	43.61%	49.18%
Revenues Over/(Under) Expenses	\$ 273,732	\$ (460,315)	\$ (734,047)		
Auxiliary Fund					
Revenues	\$ 8,599,734	\$ 5,518,986	\$ (3,080,748)	64.18%	68.70%
Expenses	7,721,974	3,928,098	3,793,876	50.87%	48.61%
Revenues Over/(Under) Expenses	\$ 877,760	\$ 1,590,888	\$ 713,128		
Reserve Fund					
Revenues	\$ 14,555	\$ -	\$ (14,555)	0.00%	0.00%
Expenses	437,000	326,666	110,334	74.75%	39.73%
Revenues Over/(Under) Expenses	\$ (422,445)	\$ (326,666)	\$ 95,779		
Financial Aid Fund					
Revenues	\$ 19,597,967	\$ 7,512,384	\$ (12,085,583)	38.33%	34.86%
Expenses	19,632,429	7,872,291	11,760,138	40.10%	35.92%
Revenues Over/(Under) Expenses	\$ (34,462)	\$ (359,907)	\$ (325,445)		
Internal Service Fund					
Revenues	\$ 435,425	\$ 139,258	\$ (296,167)	31.98%	35.62%
Expenses	396,801	121,519	275,282	30.62%	35.64%
Revenues Over/(Under) Expenses	\$ 38,624	\$ 17,739	\$ (20,885)		
Trust and Agency Fund					
Revenues	\$ 1,900	\$ 903	\$ (997)	47.53%	16.71%
Expenses	7,500	2,292	5,208	30.56%	20.25%
Revenues Over/(Under) Expenses	\$ (5,600)	\$ (1,389)	\$ 4,211		

**CENTRAL OREGON COMMUNITY COLLEGE
BOARD OF DIRECTORS**

RESOLUTION

Prepared by: Julie Mosier -Purchasing, Procurement and Facilities Scheduling Coordinator

A. Action Under Consideration

Acceptance of proposed changes to the Central Oregon Community College's Rules of Procurement originally adopted by the Board in March, 2005. The changes are intended to keep the College in agreement with the Participating Oregon Community Colleges (POCC) annual revision of the Rules of Procurement as amended by the POCC and the Oregon Revised Statutes and Oregon Administrative Rules.

B. Discussion/History

Beginning in spring, 2004 a task force was brought together from Oregon community colleges. The focus of this group was to create a statewide document that would provide continuity in purchasing and contracting decisions throughout the state's community college system, with only minor variations due to institutional philosophies or needs. In March 2005 the Board, convened as the Local Contract Review Board, adopted the Community College Rules of Procurement (CCRP). This document incorporates rules regarding competitive procurement, personal/professional services, and special procurements. Special procurements are those goods or services that are exempt from competitive processes and which are authorized by the Board in its capacity as the College's Local Contract Review Board.

The CCRP is fashioned in three sections; 100, 200, 300. It was written with the intention that sections 100 and 200 would be consistent between participating community colleges and that section 300 could be modified by each individual college. To date, 13 of the 17 Oregon Community Colleges have adopted these rules.

Pursuant to ORS 279A.065, as changes to the Public Contracting Code occur (ORS Chapters 279A, 279B, and 279C), the Attorney General's model rules must be reviewed and subsequently modified if applicable. These minor revisions and housekeeping measures are reflected in the document attached. Additionally, the POCC continually reviews the rules with regard to best practices and makes revisions to reflect this review. Upon approval by the Board, these changes will be incorporated into the CCRP and become effective immediately.

There are no material changes made to the rules this year.

C. Options/Analysis

- 1) Approve recommended changes to the Community College Rules of Procurement (CCRP).
- 2) Do not approve recommended changes to the Community College Rules of Procurement (CCRP).

D. Timing

Approval for the aforementioned changes is requested at this time.

E. Recommendation

Be it resolved that the Board of Directors do hereby approve the proposed changes to the Community College Rules of Procurement (CCRP).

F.

G. Budget Impact

None.

SUMMARY OF PROPOSED CCRP CHANGES

Section 100 preamble change:

Proposed addition to the preamble serving to reflect a commitment to sustainable practices where feasible.

Changes to Section 200 rules

Potential changes to section 200 rules are agreed upon by all POCC members and are reviewed collectively by the POCC member's local contract review board so that all rules in the 200 section remain consistent between members.

Changes to the Section 200 rules may result from additions to the revised statutes or clarifications to existing statutes, or amplification to the language provided in the rule for greater clarity.

CCR.202 Advertisement Contracts: Language added for clarity

CCR.222- Price Regulated Items: Language added for clarity.

Changes to Section 300 rules

The rules in section 300 are specific to COCC. Some are revisions of the 200 rules, and some are additions to the rules.

CCR.304- Cumulative Awards of Small Contracts: Language added for clarity

CCR.310- Exception (Including Sole Source)- Purchases of Goods and Services through: Language added for clarity and restriction of process

CCR.312- Personal Services Contracts: Language added for clarity

CCR.314- Public Contracts Under Certain Dollar Amounts: minor housekeeping change

CCR.320 Property Disposition: Addition to enhance and clarify methods of property disposition

**PROPOSED CHANGES TO THE
COMMUNITY COLLEGE RULES OF PROCUREMENT
DATED JANUARY 19, 2005, FOR ADOPTION IN FEBRUARY 2012, PENDING BOARD APPROVAL.**

This document contains *proposed* changes to the Community College Rules of Procurement (CCRP) that were previously revised and formally adopted by the Board of Education for CENTRAL OREGON COMMUNITY COLLEGE on MARCH 2011. Note that this document does not contain all of the Community College Rules of Procurement but *only* those rules that contain proposed changes or are new rules.

KEY: Deletions to the current CCRP are highlighted in **YELLOW** and are shown with a line drawn through them. Additions are shown in **RED** and are underlined. Commentary appears in bold/italics and is **highlighted in gray**. Commentary will not remain in the final, published form of the document after adoption of these proposed changes.

The current Participating Oregon Community College (POCC), Rules of Procurement can be found at <http://www.occa17.com/mc/page.do?sitePagelId=98519>

This proposed change to Section 100, the Preamble, demonstrates the college's commitment to protect and restore the natural environment in its community through socially responsible use and reuse of all resources, while meeting its educational goals.

Purpose and Statutory Authority

CCR.102

- (1) **Purpose.** These rules prescribe public contract Special Procurements (exemptions), whereby a Local Contract Review Board may approve a special procurement (pursuant to ORS 279B.085), personal services contracting rules, competitive procurement process rules, and supplementary provisions for community colleges, who have formally adopted through board resolution, these Community College Rules of Procurement, hereinafter referred to as Rules or CCRP.
- (2) **Statutory Authority.** These Rules are authorized by Public Contracting Code 279A.050 (*Procurement Authority*), 279A.055 (*Personal Services Contracts*), 279A.060 (*Local Contract Review Boards*), and 279A.070 (*Rules*). All references to PCC shall mean Public Contracting Code as defined in ORS 279A.010(1)(bb). (*Note: Under ORS 279A.065(4), public contracting agencies in Oregon will be operating under the State of Oregon Attorney General's Model Rules unless they have taken special action to opt out and adopt their own contracting rules.*)
- (3) **Participating Oregon Community Colleges** These Community College Rules of Procurement (CCRP), were drafted through a statewide, collaborative effort by representatives of Participating Oregon Community Colleges (POCC). Pursuant to the POCC participatory agreement, Sections 100 and 200 of the CCRP shall remain unchanged unless modified by the POCC at a later date and subsequently ratified by each institution's Local Contract Review Board. Any member of the POCC that adopts changes to Sections 100 and/or 200 of the CCRP that have not been mutually agreed upon and adopted by all other POCC members, shall by and through its actions, no longer qualify as a member of the POCC cooperative procurement group and shall not represent itself as such.
- (4) **Sustainability Commitment** In accordance with the Oregon Community College Rules of Procurement, member colleges are committed to the use and purchase of environmentally and socially responsible materials and products, which are fiscally responsible, reduce resource consumption and waste, perform adequately, and promote human health and well-being. Recognizing their regional economic role, colleges shall seek opportunities to educate, encourage, and influence their respective markets by utilizing, where feasible, products and services, including new environmentally preferable products, reusable products, recycled content and recycled products.

* * * * *

This proposed change is intended to clarify and reiterate that Public Notices for public improvement contracts with an estimated cost in excess of \$125,000 must be published in a newspaper of general statewide circulation.

Advertisement Contracts

CCR.202

The College may purchase advertising, which does not include contracting with advertising agencies, regardless of dollar amount, without competitive bidding. Where it is determined to be cost effective, the College may publish its public notices electronically, via the college's or other public entity's electronic procurement system or world wide web site instead of, or in addition to, a newspaper of general circulation unless otherwise required by law.

Findings of Fact

1. By their nature, media sources are generally unique. Advertisements are placed in a particular source because of the specific audience that source serves.
2. Competition to furnish advertising space in daily newspapers of general, trade, or business circulation in the vicinity of the College is limited.
3. Cost savings are difficult to quantify where the sources are unique and not interchangeable. Where the volume of purchases warrants, the College may enter into advertising contracts in accordance with ORS 279B.065 and ORS 279B.070 whenever possible to maximize savings achieved through economies of scale.
4. Public notices may be advertised electronically and/or in a newspaper of general circulation in an effort to increase exposure and generate more widespread competition, except for public improvement contracts with an estimated cost in excess of \$125,000, which must be published in at least one trade newspaper of general statewide circulation

(ORS 279C.360). Cost savings for increased competition are difficult to quantify, but the cost to the College for advertising may be significantly reduced where electronic advertising methods are utilized.

Conclusion of Compliance with Law

It is unlikely that this Special Procurement will result in favoritism in the awarding of public contracts or substantially diminish competition since all vendors, including Oregon businesses, are able to compete (ORS 279B.085(4)(a)), and it will enable the College to promote the public interest (ORS 279B.085(4)(b)(B)), by expediting its procurement processes while maximizing its circulation efforts and notice of bidding opportunities without compromising integrity for cost.

This rule satisfies the requirements of Oregon Revised Statute 279B.055(4)(c), wherein a Local Contract Review Board may, by rule or order, authorize public notice of bids or proposals to be published electronically instead of in a newspaper of general circulation if it is likely to be cost-effective.

* * * * *

These proposed modifications are intended to address situations, where the College may need to establish “open Purchase Orders” for small gas purchases at local filling stations in order to achieve efficiencies and minimize administrative costs. Under the CCRP as it is currently written, these “open Purchase Orders” might not be considered “requirements contracts” subject to CCR.226, since they may not have resulted from a predetermined price let by a competitive procurement process.

Price Regulated Items (Including Gas, Diesel Fuel, Heating Oil, Lubricants, Asphalts, Distilled Alcohol, Postage, and Certain Utilities

CCR.222

The College may, without competitive bidding, contract for the direct purchase of goods or services where the rate or price for the goods or services being purchased is established by federal, state, or local regulatory authority (ORS 279A.025(2)(g) and ORS 279A.025(2)(j)). **Regardless of whether fuel is price regulated, it may be procured via spot purchases, and such purchases may be combined on a single, written agreement such as an open purchase order between the supplier and the College, in an effort to reduce administrative costs to the College. Spot purchases are defined as one-time purchases occasioned by a small requirement (for example, one vehicle’s tankful of gasoline), where the purchase is taking advantage of availability and the most favorable market conditions.**

Comment

If competition exists and it is practical to solicit quotations, bids, or proposals for Price Regulated Items, then these procurement methods should be utilized in an effort to obtain best value.

Conclusion of Compliance with Law

Competition is not generally a relevant issue in the procurement of goods or services where the provider’s rate or price of the goods or services being purchased is established by federal, state, or local regulatory authority, and the goods or services are provided through a sole source. Examples include: Postage, Sewer/Water Service, Garbage Service, Electricity, Etcetera. Since there is virtually no competition available within these price regulated items, **and/or the amount of the non-regulated fuel acquisitions are spot purchases and are subject to market forces and availability**, it is unlikely that this exemption will encourage favoritism in the awarding of public contracts or substantially diminish competition for public contracts. Consequently, findings otherwise required by law are unnecessary here.

* * * * *

This proposed change is intended to clarify that although Special Procurements, as defined in and subject to the provisions of ORS 279B.085, could be for a series of Contracts, they are not included in this Anti-Fragmenting Rule.

(Special Procurements are used when applicable and have been approved by the College's local contract review board.)

Cumulative Awards of Small Contracts (i.e., Anti-Fragmenting Rule)

CCR.304

When the College awards a series of small contracts, other than Special Procurements subject to ORS 279B.085, with values less than or equal to \$100,000, intends to award a series of such contracts, or is likely to award a series of such contracts within one fiscal year, the sum of which will, or is likely to, meet or exceed \$100,000, and the Work of which is similar, identical, or within the same operational domain, the College shall submit findings to its Local Contract Review Board to the effect that:

- (1) The contracts are not intentionally fractionalized to avoid sealed, competitive public procurement; and,
- (2) Competition is not being diminished by the awarding of such contracts and the consequent avoidance of public advertising of the requirement; and,
- (3) Other requirements such as those of the Bureau of Labor and Industries, (prevailing wage rates), bonding, insurance and OMWESB (Office of Minority, Women and Emerging Small Business, reporting requirements), will not be avoided by the award of such contracts;

or, the College shall formulate and issue a formal solicitation for the totality of such annual requirements, and shall, as a result of such solicitation, establish a requirements contract naming one or more qualified providers, for the provision of the required goods or services.

Conclusion of Compliance with Law

This rule is intended to apply to all goods, services, client services, public improvements, public works, maintenance, repair, supplies, and all other College requirements. Its purpose is to ensure that the College does not intentionally or inadvertently exceed the College's formal competitive procurement threshold requirement of \$100,000 without good cause. As Special Procurements may result in a series of Contracts over time or for multiple projects, and the Cumulative Awards of Small Contracts Rule is not an exemption from the competitive procurement requirements of law, the College has determined that findings of fact are not required.

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Two proposed changes are recommended: 1) The first proposed change provides additional assurances that the provisions of the College's business practice and approval procedures for sole-source procurements satisfy the requirements of ORS 279B.075; and 2) the second change provides a timeframe upon which written findings may be relied.

Exception (Including Sole Source) – Purchases of Goods or Services through

CCR.310

Competitive procurement processes need not be used for the procurement of goods or services when the College makes a determination, based on written findings subject to ORS 279B.075(2), that the goods or services, or class of goods or services, are available from only one source, and the award of the Contract waived, is approved, in writing, by the College's chief ~~fiscal~~ financial officer or designee with such approved waiver(s) determination of sole source being placed on file in the Purchasing office or other designated official location; notification shall subsequently be given to the college's Local Contract Review Board, if the amount of the contract exceeds \$100,000. The College is entitled to negotiate with any sole source Contractor to obtain a favorable price, terms, and/or conditions. This exception may be used for either a Contract or class of goods or services resulting in a series of Contracts, subject to these written findings, without submitting written findings for each subsequent request for a Contract, for not longer than five years, and This exception is to be used infrequently and only when deemed by the chief financial ~~fiscal~~ officer or designee to be in the best interest of the College.

Findings of Fact

1. In some cases, the use of competitive procurement processes is either not practicable, advantageous, or in the College's best interest due to unforeseen circumstances, unreasonable costs, difficulty in locating vendors even

after extensive searches, or where time constraints occur that are due to circumstances beyond reasonable control.

2. All practical measures will be taken to encourage competition when possible.
3. The chief fiscal officer or designee will report to the Local Contract Review Board the reason(s) that competitive procurement processes were deemed to be impracticable and what steps, where possible, were taken to encourage competition if the acquisition exceeds \$100,000. A copy of the waiver shall be placed on file in the Purchasing office or other designated official location.

Conclusion of Compliance with Law

It is unlikely that this exemption from competitive procurement processes will encourage favoritism in the awarding of public contracts or substantially diminish competition, and it is reasonably expected to result in substantial cost savings to the College or to the public (ORS 279B.085(4)), since it would be an Exception, and would be due to extenuating circumstances. Additionally, this Special Procurement will substantially promote the public interest in a manner that could not practicably be realized by complying with requirements that are applicable under ORS 279B.055, 279B.060, 279B.065, or 279B.070 or under any rules adopted thereunder. (Stat. Auth.: ORS 279B.075 and 279B.085, Sole-Source Procurements and Special Procurements, respectively.)

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Personal Services Contracts (CCR250 Amended)

CCR.312

This rule replaces and amends Personal Services Contracts Rule CCR.250(l.)2) to read:

- (2) The College may waive the requirement for a competitive selection process and directly negotiate a Personal Services Contract, if the contract price is not more than the Minimum Threshold as this threshold is defined in Section 300-Supplementary Provisions, Rule CCR.312. "Minimum Threshold" means \$30,000; "Intermediate Threshold" means \$100,000. Regardless of the dollar value of the contract, the College may, at its discretion, enter into a Personal Services Contract without complying with formal or informal solicitation requirements if an Emergency, as defined in CCR.206 exists.
 - (a) Unless there are compelling reasons not to do so, competitive selection processes for Personal Services contractors should take place at intervals not greater than five years.
 - (1) Informal Selection Procedures may be used for contracts less than the Minimum Threshold (i.e., \$30,000), but are not required to be used for contracts less than the Minimum Threshold.
 - (2) Informal Selection Procedures shall be used for contracts estimated or anticipated to be equal to or more than \$30,000, but which are not estimated or anticipated to be more than **or equal to** the Intermediate Threshold (i.e., \$100,000).
 - (3) Formal Selection Procedures shall be used for contracts estimated or anticipated to be equal to or more than the Intermediate Threshold (i.e., \$100,000), but may be used for contracts of any estimated dollar value if it is deemed to be in the college's best interest.
 - (b) The screening and selection procedures for the award of Personal Services Contracts are governed by ORS 279A.055 and are subject to the competitive procurement provisions of the Personal Services Contracting rules and procedures adopted herein. Every contract for Personal Services shall be based upon these screening and selection procedures developed by the College. Personal Services Contracts are considered "public contracts" as defined in ORS 279A.010.

This rule replaces and amends Personal Services Contracts Rule CCR.250(l.)5) to read:

- (5) Personal Services Contract do not include:

- (a) Contracts, even though in a professional capacity, if primarily for equipment, supplies or materials, e.g., a contract to supply all hardware and standard software is not a Personal Services Contract, but a contract with a technology consultant to design or develop a new computer system is a Personal Services Contract;
- (b) Contracts with a temporary service or personnel agency to supply labor, which is of a type that can generally be done by any skilled worker;
- (c) Contracts for services of a trade-related activity, even though a specific license is required to engage in the activity. Examples are repair and/or maintenance of all types of equipment or structures;
- (d) Employees.

Conclusion of Compliance with Law

The requirements of Rule CCR.250 and its subsequent amendment, CCR.312, ensure that competition will be carefully addressed and protected, if the College finds it is in the public’s best interest to competitively procure Personal Services. This rule satisfies the requirements of Oregon Revised Statute ORS 279A.055 wherein the College may enter into Personal Services contracts, subsequent to the local contract review board’s designation of certain service contracts or classes of service contracts as personal services contracts. Consequently, findings otherwise required by law are unnecessary here.

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The proposed, minor modifications to (2)(c) and (2)(e) are “housekeeping.” “Disadvantaged” business enterprises certified under 200.055, through the Oregon Business Development Department, were inadvertently omitted.

Public Contracts Under Certain Dollar Amounts

CCR.314

- (1) The College may, at its discretion, enter into public contracts not to exceed \$100,000 for the purchase of goods, materials, supplies, and services, including contracts for architectural, engineering, land surveying, and related services, and public improvements or general trade services, without issuing a formal competitive Solicitation Document, if the College has determined that the awarding of the contract without issuing a formal competitive Solicitation Document will result in cost savings and the following conditions are met:
 - (a) The contract is for a single project, and is not a component of or related to any other project;
 - (b) When the amount of the contract does not exceed \$5,000, defined herein as a “Small Procurement,” the College shall, where feasible, obtain competitive quotes, unless the contract is for architectural, engineering, land surveying, and related services procedures in which case a Direct Appointment (see Appendix B, 137-048-0200), may be made for contracts with Estimated Fees less than \$50,000;
 - (c) When the amount of the contract is more than \$5,000, but less than \$100,000, defined herein as an “Intermediate Procurement,” and is not for architectural, engineering, land surveying services, or related services, the College shall obtain a minimum of three informally solicited competitive quotes. The College shall keep a written record of the source and amount of the quotes received. If three quotes are not available, a lesser number will suffice provided that a written record is made of the effort to obtain the quotes;
 - (d) The College will abide by ORS 279A.025(4), regarding Qualified Nonprofit Agencies, unless the required goods, materials, supplies or services are unavailable from a Qualified Nonprofit Agency as provided in ORS 279.835 to 279.855;
 - (e) The College shall encourage Disadvantaged, Minority, Women-owned and Emerging Small Businesses to participate in its purchasing processes, where applicable.
 - (f) The goods or services, or class of goods or services, are available from only one source and the determination of a sole source is based upon written findings in accordance with the provisions set forth in ORS 279B.075.
- (2) The College may, at its discretion, enter into public contracts for trade-related projects, i.e., construction, maintenance, repair, or similar labor and materials contracts without competitive bidding if the College has determined that the awarding of the contract without competitive bidding will result in cost savings and the following conditions are met:
 - (a) The contract is for a single project, and is not a component of or related to any other project;

- (b) When the amount of the contract does not exceed \$5,000, the College should, where feasible, obtain competitive quotes (ORS 279B.065);
 - (c) When the amount of the contract is more than \$5,000, but less than \$100,000 the College shall obtain a minimum of three competitive quotes. The College shall keep a written record of the source and amount of the quotes received. If three quotes are not available, a lesser number will suffice provided that a written record is made of the effort to obtain the quotes;
 - (d) When the contract is a public improvement contract of less than \$100,000, and the bidders are being drawn exclusively from a list of certified Emerging Small Businesses maintained by the Office of Disadvantaged, Minority, Women and Emerging Small Business, the College may let the contract without formal competitive bidding after a good faith effort to obtain a minimum of three competitive quotes from Emerging Small Businesses. To obtain maximum exposure for all firms and guard against favoritism, care shall be taken to obtain quotes from different firms each time the list is used. The College shall keep a written record of the source and amount of the quotes received and comply with the requirements, as applicable, of subsection (2)(e) of this rule. A lesser number will suffice provided a written record is maintained of the effort to obtain the quotes; and
 - (e) When the contract is for a “public improvement” as defined in ORS 279A.010(1)(aa) and/or for “public works” as defined in ORS 279C.800(5), and the contract price exceeds \$50,000 but is less than \$100,000, the College and the contractor shall comply with:
 - (i) The prevailing wage provisions of ORS 279C.800 to 279C.870, when applicable;
 - (ii) The contractor registration requirements of ORS 701; and
 - (iii) Any other law applicable to such a contract.
- (3) If more than one supplier may be available and the total purchase is estimated to exceed \$100,000, the College shall select a contractor through a formal competitive solicitation process;
- (4) Pursuant to ORS 279C.105, when the contract is for architectural, engineering, land surveying, and related services, and the Estimated Fee is \$100,000 or greater, the College shall screen and select a contractor through a formal competitive solicitation process as these procedures are defined in Appendix B, 137-048-0220, of these Community College Rules of Procurement.
- (5) Renegotiated Contracts for Supplies and Services
- The College may renegotiate the terms and conditions, including the Contract Price, of a Contract without additional competition and amend a Contract if it is in the best interest of the College subject to the following conditions:
- (a) The College must determine that, with all things considered, the renegotiated Contract is at least as favorable to the College as the original Contract; and
 - (b) The renegotiated Contract will not have a total term greater than allowed in the original Solicitation Document, Contract or approval of a Special Procurement after combining the initial and extended terms. For example, a one-year Contract, renewable each year for up to four additional years, may be renegotiated as a two to five-year Contract, but not beyond a total of five years. Also, if Contracts with a single Contractor are restated as a single contract, the term of the single Contract may not have a total term greater than any one of the prior Contracts.
 - (c) If a Contractor offers a lower price in exchange for a change in term or condition that was expressly rejected in the original solicitation, the amended Contract may be structured with this changed term as an optional, but not as a mandatory Contract term.
 - (d) If the Contract is the result of a Cooperative Procurement, the amended Contract must be within the Scope of the Original Contract and may not materially change the terms, conditions, and prices of the Original Contract.

Comment:

Public contract shall mean the “*completed project cost basis*” of a public contract (i.e., the total cost of performing one discrete, identifiable totality of work, including all components, shipping, warranty costs, service agreements obtained in conjunction with the purchase contract, reimbursables, and any other associated costs).

Conclusion of Compliance with Law

This rule is more restrictive than the requirements of the Public Contracting Code. As such, it is not an exemption or Special Procurement to the competitive bidding requirements of law. Consequently, findings otherwise required by law are unnecessary here.

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Property Disposition

CCR.320

Auction Sales of Personal Property

Personal Property may be sold at auction if the College determines that the auction contemplated will probably result in a higher net return than if the property were sold by competitive written bid.

Sales of Personal Property

The College may sell personal property, including recyclable or reclaimed materials, without competitive bidding if it has determined that a negotiated sale will result in increased net revenue and the following conditions are met:

- 1) the personal property has been made available to other College departments and local government units; and
- 2) when the current market value per item is deemed to be less than \$1000, the College may establish a selling price, schedule and advertise a sale date, and sell to the first qualified bidder meeting the sales terms; or
- 3) when the current value per item is deemed to exceed \$1,000 the personal property must be offered for competitive written bid and be advertised, or be offered for sale at public auction.

Liquidation Sales of Personal Property

The College may sell personal property through a commercially recognized third party liquidator if it has determined that a liquidation sale will result in increased net revenue and the following conditions are met:

- 1) the personal property has been made available to College departments and local government units; and
- 2) the selection of the liquidator was conducted by a competitive quotation or request for proposals process.

Donations of Personal Property

The College may transfer personal property without remuneration or only nominal remuneration without competitive bids to the following entities:

- i. 1) another public agency; or
- ii. 2) any QRF, work activity center or group care home which operates under contract or agreement with, or grant from, any State agency and which is certified to receive federal surplus property; or
- iii. 3) any recognized 501(c)(3) non-profit activity.

Trade of Personal Property

Surplus property may be traded for goods or services of an equivalent value. The intent to trade will be advertised on the College website.

- 1) Property with an estimated value of \$1,000 or less may be traded for goods or services of an equivalent value without conducting a competitive bid process.
- 2) Surplus property with an estimated value in excess of \$1,000 may be traded for goods or services of an equivalent or greater value:
 - a) after a public solicitation of bids or public sale, and

- b) when the bids or offers received at the public sale are for less than the value of the goods or services for which the property is exchanged.

Destruction of Personal Property

Surplus property may be recycled or destroyed when the estimated unreimbursed costs of transfer or sale exceed the estimated proceeds or if no bids are received for the surplus items.

Conclusion of Compliance with Law

It is unlikely that this Special Procurement will result in favoritism in the disposition of surplus property. The intent of CCR.320 is to minimize the costs of disposing of surplus property for items of low value, while ensuring that the College receives maximum return for items of greater value. For items of limited value the costs of storage, advertising a sealed bid sale and the time consumed by the sale itself can take a larger portion of the proceeds received from sale. The rule also allows for the donation of property to other specific entities when such action is deemed to be in the public good.

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Final