

1H SBCCC 500.2 Special Purchasing Delegations

- (a) For the purposes of this Section, "purchasing delegation" means the maximum authorized dollar limits for purchases of commodities, printing, and services by community colleges.
- (b) The State Board of Community Colleges shall not increase a community college's purchasing delegation in any calendar year without the concurrence of the Department of Administration, Division of Purchase and Contract. If the Department of Administration, Division of Purchase and Contract does not respond within 60 days of the State Board of Community Colleges notifying the Department of Administration, Division of Purchase and Contract of a college's request to increase its purchasing delegation, the State Board of Community Colleges may increase a community college's purchasing delegation consistent with Paragraph (d) of this Rule without the concurrence of the Department of Administration, Division of Purchase and Contract.
- (c) The maximum purchasing delegation for a community college shall be no greater than one hundred thousand dollars (\$100,000).

(1) Tier Structure:

- (A) Each community college's purchasing delegation shall correspond to the following four-tiered structure:

Tier 1	Tier 2	Tier 3	Tier 4
\$10,000	\$25,000	\$50,000	\$100,000

- (B) A college's tier designation placement is based upon its current delegation limit. A college may request an increase in delegation only to the next tier; and
- (C) If the State Board approves a college's request for an increase in delegation, the new delegation shall be effective for two years from the effective date of approval. If during this 2 year period the college receives a negative compliance review from the Department of Administration, Division of Purchase and Contract or upon additional investigation, demonstrates the inability to manage the increased delegation, the State Board of Community Colleges at its discretion and in consultation with the Department of Administration, may rescind the new delegation prior to the end of the two years. A

college may only request a delegation increase to the next tier after being at the current tier for two years.

(2) Required Documents. When requesting an increase in purchasing delegation, a college shall submit the following hard copy items to the System Office:

- (A) Original letter signed by the college President on college letterhead requesting the next tier delegation and the rationale for the request;
- (B) Request for Increase in Purchasing Delegation (Form 490) as provided by the System Office;
- (C) College Internal Purchasing Manual with policy and procedures for all transaction types;
- (D) Proof that the college has posted any "Request for Bid" and a copy of the bid on the North Carolina Interactive Purchasing System within the 12 months prior to the date the System Office receives the college's request to increase its purchasing delegation;
- (E) A copy of any posted E-Quote within the 12 months prior to the date the System Office receives the college's request to increase its purchasing delegation;
- (F) Copy of a compliance review report from the Department of Administration, Division of Purchase and Contract. The compliance review report shall have been conducted within 12 months prior to the date the college requests an increase in purchasing delegation. The compliance review shall cover a time period during which the college's current lead purchasing agent was in his or her position for at least six months. If any findings are noted in the compliance review report, the college shall provide documentation that the college has corrected all findings by the date the college requests an increase in purchasing delegation. An increase in delegation will not be approved if the compliance report contains findings that are considered significant by the System Office or by the Department of Administration, Division of Purchase and Contract.

(d) Evaluation Process. The State Board, acting by and through the System Office, will evaluate the following factors before submitting a recommendation to increase the purchasing delegation to the Department of Administration, Division of Purchase and Contract:

(1) The college's overall capabilities including:

- (A) Staff capacity to absorb additional volume and complexity;

- (B) Experience and training of the procurement staff of the requesting college; and
 - (C) Frequency of procurement staff turnover;
- (2) Purchasing compliance reviews;
 - (3) College internal purchasing procedures; and
 - (4) Audit reports from the North Carolina Office of the State Auditor or from a certified public accountant pursuant to G.S. 115D-58.16.
- (e) If the State Board approves a college's request to increase its purchasing delegation, the approval will be effective on the first day of the month following the State Board's approval.
- (f) If a college receives compliance findings on a compliance review from the Department of Administration, Division of Purchase and Contract or received audit findings related to purchasing on its most recent financial statement audit, the State Board at its discretion based upon the type of findings and the college's official response may decrease the delegation amount.

History Note: Authority G.S. 115D-5; 115D-58.14(b); S.L. 2009-132, s. 1;

Eff. [November 1, 2015](#).