

**ATTACHMENT
BULLETIN 99-07
POLICY MANUALCHANGES
Release 1.3
Revision date 1/29/99**

The following policies are revised:

201. COMPETITIVE BID REQUIREMENTS

Reference: Education Code 89036, Public Contract Code 10300 et seq. and 10430(c), Public Contract Code 12100 et seq., Executive Order ~~615~~ 667

The CSU is committed to a policy of promoting fair and open competition ...

204.03 Sourcing Options

5. Use of the General Services Administration of the United States (GSA) Pricing Schedules

Reference: P.C.C. 10290.1, 12101.5(b), Stats 1993,c. 1106 (A.B. 1727), *Government Code 14846 (A.B. 2405)*

A Multiple Award Schedule (MAS) is an agreement established between the General Services Administration (GSA) of the United States and multiple vendors for the purpose of acquiring goods and/or services under specific prices, terms and conditions. Since an MAS is issued under a competitive process, the CSU may award a contract for goods and/or services to a vendor having an MAS without further competitive bidding, but only if the vendor is willing to extend the same GSA prices, terms, and conditions to the CSU while agreeing to any additional terms and conditions that may be imposed by the CSU. A California Multiple Award Schedule (CMAS), a similar agreement established between the Department of General Services (DGS) and GSA vendors who agree to the State of California terms and conditions, are available to the CSU under specified conditions imposed by the DGS, and may be used without obtaining further competition.

Prior to placing orders under the California Multiple Award Schedule program, the CSU shall whenever practicable first consider offers from small businesses that have established CMAS contracts.

206. LIMITS ON COMPETITIVE BIDDING (SOLE BRAND/SOLE SOURCE)

Reference: Public Contract Code 10318, Executive Order ~~615~~ 667

210.04 Conflict Of Interest

Reference: Education Code 89006; *Government Code 8100 et seq., 82019; State Budget Act Section 7.00.*

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216. SMALL BUSINESSES

Reference: Government Code Section [14835](#) et seq.; Title 2, Section 1896 et seq.

Definition Requirements of a Small Business:

- *An independently owned and operated business*
- *Not dominant in its field of operation*
- *The principal office is located in California*
- *The officers are domiciled in California*
- *Together with affiliates is either:*
 - *A service, construction or non-manufacturing business with 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or*
 - *A manufacturer with 100 or fewer employees.*

The CSU supports the spirit of the Legislature's declaration as set forth in the Small Business Procurement and Contracts Act (G.C. [14835](#) et seq.):

The State is required to aid, counsel, assist, and protect, to the maximum extent possible, the interests of small business concerns in order to preserve free competitive enterprise and ensure that a fair proportion of the total purchases and contracts or subcontracts for property and services for the State be placed with such enterprises.

To provide small businesses an opportunity to request preference, Small Business Preference Form or an equivalent advisory statement shall be included in all bid solicitations for the procurement of goods and for service agreements. Evidence of certification by OSMB (usually via copy of the OSMB approval letter) is required from bidder in order for a bid preference to be granted.

CSU has established a Small Business Advocate within the Chancellor's Office, Contract Services & Procurement Department. The Small Business Advocate is the single point of contact for small businesses and shall:

- *Make information regarding pending solicitation available to, and consider offers from, California small business suppliers capable of meeting the CSU's business need, and who have registered with the state for this purpose.*
- *Ensure prompt payment to small businesses*

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In order to comply with the requirements of the Small Business Procurement and Contract Act, each campus must report to the OSMB annually on the number and amount of contracts and purchase orders awarded to small businesses. This Report is to be sent by campuses directly to OSMB, with a copy to the Chancellor's Office Contract Services & Procurement Department by August 1 of each year.

222. AUDIT OF CONTRACT

Reference: Government Code Section [8546.7](#).

A notification to the contractor is required on all contracts exceeding \$10,000 that such contracts are subject to an audit of the *Office of the University Auditor and the* State Auditor for a period of three years after final payment has been made.

300 - PERSONAL PROPERTY PROCUREMENT POLICY

In addition to the special requirements contained in this Section 300, requirements in Section 200 also apply to the procurement of personal property.

Reference: Public Contract Code Sections [10295](#) and [10430\(c\)](#); Education Code Section [89036](#); Executive Orders ~~615~~ [667](#) and 409.

301. INFORMAL BIDDING FOR PERSONAL PROPERTY COSTING LESS THAN \$10,000

Reference: Public Contract Code Section 10302.

The following procedures apply to all informal (non-bid) acquisitions of commodities costing less than \$10,000.

Competition is not required for commodities on transactions of an amount less than \$10,000 unless the campus determines that competition is necessary to develop sources, validate prices, or for other sound business reasons. Efforts shall be made to secure quotations and develop sources from small, *minority, women businesses*, and disabled veteran business enterprises.

400 - PROCUREMENT OF SERVICES

In addition to the special requirements contained in this Section 400, requirements in Section 200 also apply to the procurement of contractual services.

Reference: Education Code Sections [89036](#), [89038](#), and [89048\(d\)](#); Public Contract Code Sections [10700 et seq.](#) and [10800 et seq.](#); Executive Order ~~615~~ [667](#).

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401. FORMAL BID THRESHOLD FOR SERVICES

Competition is not required for services on transactions of an amount less than \$50,000 unless the campus determines that competition is necessary to develop sources, validate prices, or for other sound business reasons. All transactions made under the CSU procurement authority shall be designed to encourage active competition among vendors wishing to become providers of services furnished to the CSU. Efforts shall be made to secure quotations and develop sources from small, ~~minority, women~~ *businesses*, and disabled veteran business enterprises.

412.10 Consulting Agreements

Conflict of Interest

Reference: Education Code 89036; Government Code 8100 et seq., 82019; Budget Act Section 7.00.

500 - INFORMATION TECHNOLOGY RESOURCES PROCUREMENT POLICY

In addition to the special requirements contained in this Section 500, requirements in Section 200 also apply to the procurement of information technology resources.
Reference: Public Contract Code, Section 12100 et seq.; Executive Order 615-667; Education Code 89036.

502. APPLICABILITY OF OTHER PROVISIONS

All standard purchase and service contract policy requirements including the use of forms and exhibits that are not contained under ITR-specific policy shall also be applicable. These include, but are not limited to, policies governing sole source awards, vendor price schedules, MWDVBE compliance, drug free workplace certifications, notices of contract award, small business preferences, State contracts register, vendor data records, and applicable general provisions governing all transactions.

The Following policies are added:

228 AMERICANS WITH DISABILITIES ACT (ADA)

Reference: 42 U.S.C. 12101 et seq.

All contracts must contain a condition stating that the contractor, by signing the contract, assures the University that it complies with American with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

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229 CHILD SUPPORT COMPLIANCE ACT:

Reference: Public Contracts Code 7110

It is the policy of the State of California that anyone who enters into a contract with a state agency shall recognize the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code.

Any contract in excess of \$100,000 must include the General Provision Clause entitled Child Support Compliance Act.