NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT

PROCUREMENT AND CONTRACTS MANUAL

Revised: January 2026

NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
PURCHASING MANUAL

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AUTHORITY TO ENGAGE IN CONTRACTS FOR GOODS AND SERVICES

The North Orange County Community College District (NOCCCD) Board of Trustees has the sole responsibility and authority to enter into purchase contracts on behalf of the District. To accomplish this, they shall adopt policies and procedures governing purchase of supplies, equipment, and services. The Board also has the authority to delegate this responsibility as they deem necessary.

According to Education Code 70902(d), 81655, 81656, the Board of Trustees can delegate and authorize District employees to engage in purchasing commitments. These are adopted in the following NOCCCD Board and Administrative Policies:

BP 6100 - Delegation of Authority. The Board designated the Vice-Chancellor, Administrative Services, the authority to supervise the proper administration of property and contracts and the acquisition of supplies, equipment and property.

AP 6150 – Designation of Authority. The Chancellor has appointed various positions as authorized signers for orders and other transactions including:

- Checks, Contract Agreements of $5,000 or less (excluding grant agreements):
  Chancellor
  Vice-Chancellors
  College Presidents
  Provost
  Vice President, Administrative Services
  Director, Fiscal Affairs
  Manager, Administrative Services

- Purchase of Supplies, Materials, Apparatus Equipment, and Services not to exceed the amounts specified by the Public Contract Code 20651. Construction services not to exceed the amount specified by Public Contract Code 22030.

  Chancellor
  Vice Chancellor, Administrative Services
  District Director, Purchasing

BP 6330 – Purchasing. The Vice-Chancellor, Administrative Services, or the District Director, Purchasing, is delegated the authority to purchase supplies, materials, apparatus equipment as necessary for the efficient operation of the District. No such purchases shall exceed the amount specified by Public Contract Code section 20651 as adjusted annually.

The purchasing responsibility and function shall be centralized in the District Purchasing Department. Purchases shall not be made in the name of the District without an authorized purchase order, except that in an emergency when any repair, alteration, work, or improvement necessary to permit the continuance of existing school classes, or to avoid danger to life or person, authorized persons may make purchases after the approval by the District Director, Purchasing. All such purchases shall be reported to the Purchasing Department for issuance of a purchase order as soon as possible.

BP 2710 - Conflict of Interest. Government Code section 1090 states that governing board members and employees of a district shall not be financially interested in any contract made by them in their official capacity or by anybody of which they are members. Contracts include preliminary discussions, negotiations, the drawing up of plans, specifications and solicitation for bids. Contracts in violation of section 1090 are invalid and willful violation of section 1090 is a criminal offense.

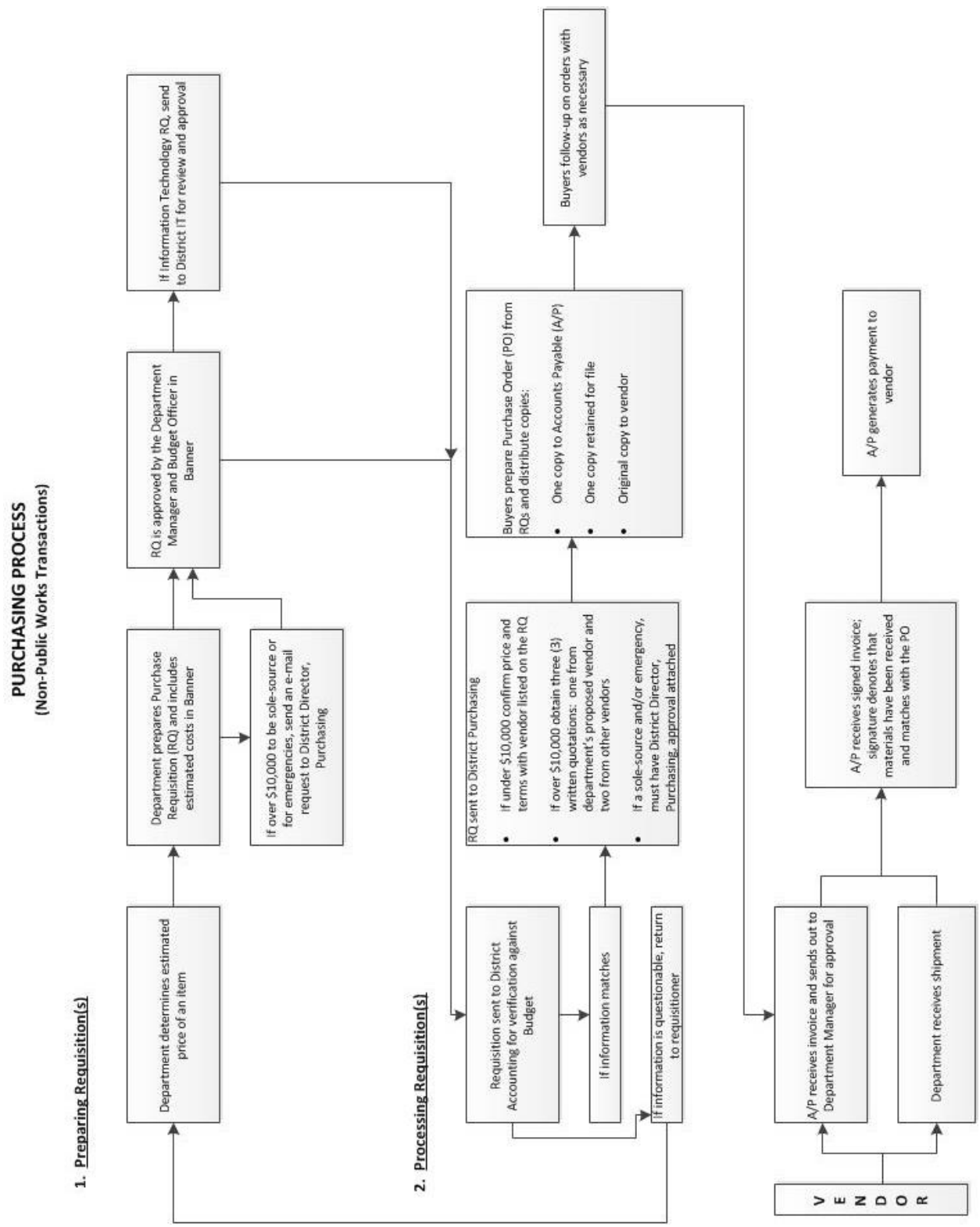
IF ANY SALES REPRESENTATIVE CHOOSES TO WRITE AN ORDER BASED ON A VISIT TO ANY STAFF MEMBER WITHOUT AN AUTHORIZED PURCHASE ORDER FROM THE PURCHASING DEPARTMENT, THEY HAVE MADE A PERSONAL SALE, AND THE DISTRICT DOES NOT HAVE ANY LIABILITY TO HONOR THE PURCHASE.

PURCHASING DEPARTMENT RESPONSIBILITIES

The Purchasing Department is headed by the Purchasing Director. The department is tasked with the following responsibilities:

1. The purchasing function shall be carried out in accordance with all provisions of the California Education Code, California Government Code, Public Contract Code, and District Board Policies.
2. The department will provide prompt and efficient service to District and campus personnel in procuring goods and services including:
    - Obtaining competitive price quotations that provide the best value for the requesting department;
    - Processing purchase orders (P.O.) on a timely basis;
    - Following-up with vendors to ensure that products or services are received in a timely manner;
    - Advising various departments regarding opportunities and alternatives that provide the best value.
3. Be aware of market trends, price changes, and new products that may best meet District's needs at competitive prices. This requires conferring with vendors and manufacturer representatives regularly.
4. Construction Projects
    - Assist in the preparation of bid document and related details;
    - Publication of the project;
    - Bid Invitation to vendors;
    - Pre-Bid Conference;
    - Participate in the bid opening and evaluation process.
5. Fixed Asset Inventory Control
    - Arranging for the annual inventory of District assets;
    - Handling disposition of all surplus, unused/obsolete materials either through auctions or donations.
6. Cal-Cards issued and distributed to select employees approved by the campus President.
7. Provide the Board of Trustees and District management with guidance and information on all noteworthy activities pertaining to the procurement effort.

NOTE: The Purchasing Department will not assist employees of the District in making personal purchases.


PURCHASING PROCESS
(Non-Public Works Transactions)
1. Preparing Requisition(s)
Department determines estimated price of an item
Department prepares Purchase Requisition (RQ) and includes estimated costs in Banner
If over $10,000 to be sole-source or for emergencies, send an e-mail request to District Director, Purchasing
RQ is approved by the Department Manager and Budget Officer in Banner
If Information Technology RQ, send to District IT for review and approval
2. Processing Requisition(s)
Requisition sent to District Accounting for verification against Budget
If information matches
If information is questionable, return to requisitioner
RQ sent to District Purchasing
If under $10,000 confirm price and terms with vendor listed on the RQ
If over $10,000 obtain three (3) written quotations: one from department's proposed vendor and two from other vendors
If a sole-source and/or emergency, must have District Director, Purchasing, approval attached
Buyers prepare Purchase Order (PO) from RQs and distribute copies:
One copy to Accounts Payable (A/P)
One copy retained for file
Original copy to vendor
Buyers follow-up on orders with vendors as necessary
VENDOR
A/P receives invoice and sends out to Department Manager for approval
Department receives shipment
A/P receives signed invoice; signature denotes that materials have been received and matches with the PO
A/P generates payment to vendor

BUYER ASSIGNMENTS

COMMODITY CODE	BUYERS	DEPARTMENTS
CN	Crystal Nguyen X84775	Academic Computing Academic Support Center Apple Bookstore Computers Distance Education Facilities/Physical Plant Furniture Standards Information Services PlanetBids Portal Public Works Construction Projects Bidding RFP/RFQ RQ Training Sustainability Website
MG	Michael Grove X84777	Administrative Services VP's Office Bursar Business Office / CIS Campus Safety Foundation & Community Relations Grants Office Humanities (Basic Skills/Culinary Arts/Fine Arts/Language Arts) Institutional Research & Planning Instructional VP's Office Library/LRC Math Physical Education Presidents' Offices Special Programs / Staff Development Student Services (Financial.Aid, Counsel, EOPS, etc.) Technology Engineering/Career Tech
PS	Pamela Spence X84774	Academic Support Center Amazon Business and Portal Chancellor's Office Finance Health Science Human Resources Natural Sciences Public Affairs – Production Social Sciences NOCE
MH	Mireille Hernandez X84848	Board Recap Report Bond Fund Capital Outlays Fund Capital Lease Cal-Cards Copier Equipment Lease, Purchase, Maintenance Agreements Fixed Asset Inventory Surplus

REQUISITION PROCESS

A requisition is not a purchase order and, thus, cannot be sent to the vendor to procure products and/or services. Requisitions are internal electronic forms that are used to establish purchase descriptions, price, method of funding, etc. A Purchase Order (PO) is a legally binding contract between a vendor and the District. Do not place an order, promise an order, or otherwise authorize the purchase of goods or services without the purchase order. This may make you personally liable for payment to the vendor.

Detailed, on-line requisitions are submitted by the requesting department with all the proper approvals. Any supporting documentation, such as quotes, proposals, order forms, etc., must be sent to Purchasing. A purchase must be made via the requisition process, purchase of a product or service must not occur prior to issue of a PO unless there an emergency. In the event of an emergency, the item or service must first be approved by the Purchasing Department prior to making the purchase.

The steps to process a requisition are:

1. Data Entry - Requesting department prepares a requisition (RQ). The RQ should include the proposed vendor, full description of item or service, unit of measure, quantity, price, model, brand, size, color and delivery location.
2. Budget Approval - RQ is reviewed and approved by the Department Authorized Approver and the campus Budget Officer. RQ is then routed to District Accounting for approval. Note: information technology-related RQ is routed to District Information Services (IS) for approval.
3. Source/PO Creation - Once approved, the RQ is routed to Purchasing to be processed into a PO. Copies of the PO are distributed as follows:
    - Original copy to vendor;
    - Pink copy to A/P;
    - Blue copy and supporting documentations are kept with Purchasing file.

The time it takes to process a RQ to a PO depends upon how long it takes to go through the departmental approval path as well as on the complexity of the PO. Once the RQ has been approved by District Accounting, the requisition will appear in Banner as “Approved.” The RQ must show a status of “Approved” in order for the Buyer to process the requisition into a PO. Purchasing must also have all required documents before proceeding.

If ordered item is not received on a timely basis, Purchasing will follow up with vendor.

Accounts Payable receives the invoice, verifies that the amount does not exceed the amount on the PO, makes a copy and forwards the original to the department manager for signature. If the invoice amount exceeds the PO, an RQ is needed for a change order to the PO in order for the invoice to be processed.

Note: The District will allow the invoice to be greater than the PO amount provided that the difference may not exceed **10%** of the PO amount and not exceed $250.00.

Under no circumstance are the product or service be delivered or rendered at a private residence. All deliverables must be addressed to the school, District Office, or Will-Called.

Department managers should promptly return the signed invoices to A/P to avail of discounts offered for timely payments and avoid penalties for late payments.

The department must forward a copy of the receiving document to A/P as soon as possible. This is a requirement to process payment.

Failure to oblige by these guidelines may result in no issuance of PO or the employee may be held responsible for costs incurred.

BIDDING REQUIREMENTS & PURCHASE LIMITS

1. **Under $15,000**

   The procurement of goods and services in amounts of less than $15,000 shall be made with as much competition as is practical and deemed necessary by the Purchasing Director. This may include verbal or written quotations from one or more vendors. These quotations may be obtained by either the responsible buyer or the requisitioning department and is subject to review and approval by Purchasing.

2. **$15,000 – Bid Threshold**

   Purchasing transactions from $15,000 to bid threshold shall be made with as much competition as is practical and deemed necessary by the Purchasing Director. A minimum of three written quotations will be obtained. These quotations may be obtained by either the responsible buyer or the requisitioning department and is subject to review and approval by Purchasing.

3. **Purchases over Bid Threshold (Year 2026 $119,100 adjusted annually)**

   Per Public Contract Code section 20651, the District must competitively bid any contract involving an expenditure of:

   - More than $119,100 (this threshold amount is annually adjusted) for the purchase of equipment, materials, supplies and services (except construction services), repairs including maintenance as defined in Public Contract Code section 20115

     → Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes;

     → Minor repainting;

     → Resurface of streets and highways at less than one inch;

     → Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems;

     → Work performed to keep, operate and maintain publicly owned water, power, or waste disposal systems, including, but not limited to dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.

   - More than $15,000 for Public Works Projects and Construction Services. Public Contract Code section 22002(c) defines a public project as follows:

     → Construction, reconstruction, erection, alteration, renovation, improvement, demolition and repair work involving any publicly owned, leased, or operated facility;

     → Painting or repainting of any publicly owned, leased, or operated facility;

     → In the case of a publicly owned utility system, “public project” shall include only the construction, erection, improvement, or repair of dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.

However, Section 22030 of the Public Contract Code (PCC22030) provides that a District may adopt the California Uniform Public Construction Cost Accounting Act (CUPCCAA) procedures allowing the District to increase the formal bid limits for its public works projects.

CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT (CUPCCAA)

On October 8, 2013, the District's Board of Trustees passes a resolution to become subject to the California Uniform Public Construction Cost Accounting Act (CUPCCAA).

CUPCCAA is a useful tool for the District as it raises informal quote thresholds, simplifies the informal quote process for small projects, reduces advertising costs, expedites the bidding processes, and increases the likelihood that the bids received will be from responsive, responsible contractors. CUPCCAA allows the District to have a less formal bid process, but with appropriate guidelines and checks and balances in place.

Under CUPCCAA, the District is required to create and maintain a list of qualified contractors, by the category of work they perform. Each year, in November, the District is required to publicly invite licensed contractors to submit their name for inclusion on the list.

The thresholds for Public Works Projects follow:

1. **Under $75,000**
   - Contracting for construction services would be exempt from bidding requirements; these projects would be performed by negotiated contract or by purchase order;
   - The District may select a qualified contractor from the list for project without going through an informal or formal bid process;
   - Public Works Projects in excess of $25,000 requires payment and performance bonds (Civil Code section 9550-9566).

2. **$75,001 - $220,000**
   - Contracts for Public Works Projects would be awarded to the qualified contractor submitting the lowest informal bid through the informal bidding process;
   - The Purchasing Department sends a Notice of Invitation requesting informal bids to the list of qualified contractors maintained by the Purchasing Department. Invitations must be sent at least ten (10) days prior to the informal bid closing date. The District must award to the lowest responsive, responsible bidder;
   - The Purchasing Department prepares an informal bid package, which includes bid and contract forms. Specifications/drawings are prepared and provided to Purchasing by the campus Facilities department;
   - As applicable, documents including bid bond, performance bond and payment bonds are required of all contractors doing work under these provisions;
   - The Purchasing Department obtains and verifies required documentation including certificates of insurance, bonds and contractor license. The Purchasing Department issues the Notice of Award, signed agreement and purchase order along with the Notice to Proceed.

3. **Over $220,001**

   Contracts for Public Works Projects remain subject to standard formal bidding procedures.

EXEMPTION FROM BIDDING REQUIREMENTS

The followings are some examples of other types of projects/contracts not subject to the usual competitive bidding requirements:

Piggyback Bids. (Public Contract Code section 20118 & 20652) - Piggyback bid is the process where the District is authorized to purchase or lease materials, equipment, supplies, vehicles, and other personal property where the purchasing agency has complied with its own applicable statutes. This is also known as piggybacking. The District is NOT authorized to piggyback on other public agency's service contracts which could include construction services, installation or maintenance services. In order for the District to purchase through another public agency's contract, the District should obtain all bid documents from the awarding public agency, not the vendor, review the awarding agency's bid carefully and, in particular, the following items:

- Verification of advertisement;
- The bid documents, including the specific terms and conditions of the bid, including the clause which gave notice to potential bidders that other agencies may purchase/lease identical items at the same prices and upon the same terms and conditions;
- The award of contract (copy of the Agenda item explaining the award and Minutes);
- Verification that the awarding agency actually purchased/leased the personal property; and
- Extensions of the contract, if any.

State List. Competitive bidding may be waived when purchasing materials, equipment, or supplies through the Department of General Services or utilizing its California Multiple Awards Schedules (CMAS). CMAS are supplier agreements based upon an existing Federal GSA or other approved multiple award contracts. CMAS offers a wide variety of commodity and information technology products at prices that have been assessed to be fair, reasonable, and competitive. Visit www.pd.dgs.ca.gov/cmas for general guidelines regarding CMAS policies and procedures.

Professional Services. Certain disciplines such as financial, economic, accounting, architectural, engineering, legal required by the District may be contracted without competitive bidding (Government Code section 53060). However, all "architectural and engineering services" as defined in Government Code section 4529.10 must be procured pursuant to a fair, competitive selection process through a request for proposal/qualification process.

Emergencies. Public Contract Code section 22050 provides that competitive bidding may be avoided when repairs, alterations, work or improvements are necessary to avoid danger to life or property in an emergency.

Purchase of Educational Materials. Department of Education Code section 81651 states that a college district may purchase library books, supplementary books, educational films, audio-visual materials, text materials, workbooks, instructional computer software packages or periodicals in any amount needed for the operation of the schools of the district without taking estimates or advertising for bids.

Sole Source. In cases where there is no practical value in soliciting for materials and services since it appears that there is only one source available, it may be possible to make the purchase without formal bidding. The Purchasing Director will evaluate each request and determine whether a sole source acquisition is appropriate. The following are helpful in making this determination:

- A product description, including quantity and technical features;
- An explanation of why the product is unique. This presents the technical features required;
- Effort to determine no known equal from other vendors;
- An explanation that the purchase price is reasonable;
- A certification from the vendor why these may not be available from others.

BLANKET PURCHASE ORDER

A “Blanket Purchase Order” (BPO) is a purchase order issued to a vendor allowing for multiple purchases to be made during the fiscal year.

BPOs are generally used for the following types of purchases:

- As-needed instructional and non-instructional supplies - consumables only;
- Multiple purchases of repetitive goods or services for a specific time period (usually a year);
- Minor repairs and servicing of equipment.

BPOs CANNOT be used for the following purchases:

- Purchases of computers, electronics, any single item/good that is $500 or more, or any restricted item/good (e.g. IT approval required);
- Any goods or services that require bid - when the purchase is equal to or greater than the current statutory bid threshold, whether for a single item/service or in the aggregate;
- Furniture, fixtures, equipment (FF&E);
- Public Works.

Purchasing approves and issues all BPOs upon entry of an approved requisition in Banner by the requesting department. The requisition must: (1) state the name of the department; (2) the commodity or service; (3) list the persons authorized for purchase and/or payment; (4) a not to exceed amount; (5) an effective period.

$5,000 is the limit amount per BPO. Prior Approval of Purchasing Director is needed for BPOs more than $5,000.

The BPO is only valid for the specified period of time as indicated on the order and for amount it is funded. Once the effective period has passed or the funding has been depleted the purchase order is no longer valid. As always, as the remaining balance drops and the requirement still exists for the BPO, funds can be added. Additional goods/services should not be ordered until the funds increase is applied to the order. Overspending a BPO is subject to the same process as any other unauthorized purchase.

If the level of competition is needed for a particular BPO, the buyer will consult with the Purchasing Director.

Should an employee make an unauthorized purchase, it will be viewed as a personal transaction. The District will not assume responsibility, and reimbursement from District funds will not be made.

BPOs do not carried over and must be renewed every fiscal year.

INSTITUTIONAL MEMBERSHIPS

Memberships are submitted for Board approval on an annual basis. During the months of March or April, the current list of institutional membership subscriptions is distributed to the respective division deans, administrators and managers responsible for inclusion of new memberships or deletion of old ones. If information on a membership is not received, it will be deleted from the annual list and individual approval will be required. **Memberships up to $1,000 can be approved by the college Presidents, Provost and the Vice-Chancellors. Memberships exceeding $1,000 must be approved by the Board of Trustees** (NOCCCD Administrative Procedure 6100, Delegation of Authority). Board approval normally takes place at the first meeting in June for memberships in the succeeding fiscal year.

- Requesting department prepares a requisition to pay for institutional membership. The RQ must include the invoice from the company or a pro-forma statement as the basis for the payment. If the amount to be paid is in excess of $1,000, the approved Board report should be referenced;
- The RQ is approved by authorized approvers and forwarded to Purchasing;
- Purchasing verifies membership with their list of approved memberships and subsequently prepares the PO and forwards this to A/P (with the invoice attached). If a PO has been previously created, invoices are sent directly to A/P;
- A/P processes payment.

HONORARIUM

This is a gift paid to an individual as an appreciation of a task performed on behalf of the District. It is not a payment for services rendered or for conducting work related to an individual's regular duty. This is paid to outside experts participating in District events, student government for serving on the Associated Students Board or to an employee in recognition for outstanding achievement in advancing the reputation of the District (Administrative Services Audit Procedure – Honorarium).

- Department prepares the "Request for Approval of an Honorarium" approved by the Budget Officer and the President or Vice Chancellor. This letter is the justification of the honorarium;
- Department prepares the RQ signed by the departmental authorized approver. The RQ with the approved request and a "Request for Taxpayer Identification Number and Certification" (W-9) is forwarded to Purchasing. The W-9 is for tax reporting purposes;
- Purchasing prepares the PO and forwards this with attachments to A/P for processing. There is no need to have a contract or agreement to complete this transaction;
- The check is processed and returned to the requesting department if requested. If not the check can be sent directly to recipient.

The check is presented to the recipient along with the "Letter of Offer and Acceptance of an Honorarium".

INDEPENDENT CONTRACTORS

An independent Contractor is not an employee and is not under the control of the District. In general, an Independent Contractor is an individual with a specific skill or technical knowledge hired by means of a written agreement to do a particular job for a designated period of time.
A District Employee should not be employed as an Independent Contractor. The IRS scrutinizes the returns of individuals who receive both a W-2 Form and a 1099 Form in the same calendar year from one employer. If a District employee is hired to perform a service outside the scope of their normal duties, he/she must be paid through the payroll process.

INSTRUCTIONS FOR AGREEMENTS WITH INDEPENDENT CONTRACTOR (IC)

All of the following information is required from the IC before the contract can be officially agreed upon.

1. **Independent Contractor Questionnaire.** This is the first step in the process and the one that evaluates conditions of an engagement and service provider's background concluding if it meets the criteria of an independent contractor. This questionnaire is completed by a representative from the Division requesting the services and reviewed by the Dean/Director or a designee.

2. **Scope of Work (SOW).** The SOW must be provided by the IC. The SOW should contain cost, milestones, reports, deliverables, timelines and end products that are expected to be provided by the IC.

3. **W-9.** The IC must complete and turn in a W-9 or have a current one on file with the District Purchasing Department.

4. **Insurance Requirements**. Certificate of Insurance should be made out to the District, naming the District as additional insured, along with an Additional Insured Endorsement. The limits are as follows:

   - **Workers' Compensation –** in accordance with California Labor Code Section 3700, Contractor shall secure Workers' Compensation coverage in a form and amount covering Contractor's full liability under the California Workers' Compensation Insurance & Safety Act and in accordance with the applicable state and federal laws.
   - **General Liability -** The policy shall contain a combined single limit of liability of not less than $1,000,000 per occurrence**.**
   - **Automobile Liability** - If automotive vehicles are operated by Contractor in Contractor's performance of Contractor's obligations under this Agreement, Contractor shall maintain an automobile liability policy which shall include coverage on all owned, non-owned and hired vehicles and shall have a minimum limit of liability of not less than $1,000,000 per occurrence.
   - **Cyber Liability (Technology E&O)** - Contracts for services provided by: technology or IT consultants, systems analysts, website designers, online services and content providers, cloud based providers, computer programmers and software consultants, system installation or software personnel. Minimum coverage shall be $1,000,000 per occurrence/$3,000,000 Aggregate.
   - **Cyber Liability -** Contracts for services provided by: Payroll personnel/companies and Vendors or Contractors having access to Personally Identifiable Information of employees and students. Minimum coverage shall be $1,000,000 per occurrence/$3,000,000 Aggregate.

5. **Contract.** Preparing the contract is the last step in this process. The contract will be signed only after the first four stages have been completed. The person preparing the contract must ensure that the following documents are attached with the contract for signature:

   - The Independent Contractor Questionnaire.
   - A Scope of Work.
   - A copy of the insurance coverage.

- A completed W-9 form if the IC is new and does not have a copy on file in Purchasing.

The contract is signed by the College President/Provost up to $5,000. Contracts over $5,000 can be signed by the Vice-Chancellor, Administrative Services and the District Director, Purchasing. The NOCCCD Board of Trustees approves amounts in excess of bid limit $95,200 (this amount changes annually, contact Purchasing for the current bid limit).

6. **Requisition (RQ)**. The person preparing the contract must verify that the RQ has been entered into the Banner system.

7. **Purchase Order (PO).** The Purchasing Department will issue a PO when a complete contract packet is received.

THE IC MAY NOT BEGIN WORKING WITHOUT AN EXECUTED CONTRACT SIGNED BY THE DISTRICT AND A PURCHASE ORDER SIGNED BY PURCHASING.

Worker Compensation Exemption:

In the event where the IC is the sole employee of the firm, the IC must complete the Exemption from Worker's Compensation form to be exempt from this requirement.

Independent Contractor for Performer / Guest Speaker / Referee:

In the event where the IC is a Performer, Guest Speaker, or Referee, the standard IC Agreement will be substituted for the Performer / Guest Speaker / Referee Agreement.

QUESTIONNAIRE – INDEPENDENT CONTRACTOR OR EMPLOYEE

You are required to provide a "yes" or "no" answer for each question. If you feel that further explanation is necessary to support your answer, please provide explanations on the last page.

Describe the skill level required for this engagement:

PART I	**YES**	**NO**
1. Has this category of worker already been classified an "employee" by the IRS? * **The IRS has held that the following types of workers are employees:** (*IRS Pub. SWR-40)* Administrators — Teachers/Instructors Substitute teachers/instructors — School bus drivers Driver education instructors — Clerical staff Athletic coaches — Cafeteria works Tutors — Counselors Custodians — Examination monitors Proctors — Librarians		
2. Is the individual already an employee of the District in another capacity?		
3. Has the individual performed substantially the same service for the District as an employee in the past? *Is the individual retired, returning to substitute, or train, etc.?*		
4. Are there currently employees of the District doing substantially the same services as will be required of this individual?		
5. Is the District expected to provide detailed instructions to carry out the task? *The extent of the District's instructions is to describe the end product and provide the time and the place to perform the engagement. The details of performing the task are left entirely to the discretion of the independent contractor. If any additional instructions are provided, please explain in the comment section.*		
6. Are the services being provided an integral part of school business? *Are the services being provided necessary to the operation of the school, program, project, etc.? This indicates the District has an interest in the method of performance and implies the need for an employee.*		

If the answer to <u>any</u> of the above questions is "**YES**,"

STOP HERE

Do not complete the rest of the questions. The individual should be a District employee and must be paid and reported accordingly. If all of the above questions are "**NO**:, continue

	PART II	YES	NO
7.	Must the required services be performed by this individual? *Consider whether or not the individual may designate someone else to do the work without the District's knowledge or approval. Need to correlate with required skill level.*		
8.	Does the District have a continuing relationship with this individual? *Is this a "one shot deal" or will the District continue to use this individual in the future?*		
9.	Can this relationship be terminated by either party? *The contractor is responsible for satisfactory completion of the job and may legally be obligated to compensate the hiring firm for failure to complete.*		

If the answer to question 7, 8, or 9 is "YES," there is a good possibility than an employment relationship exists. Questions 7 and 8 are indicators of District control that, in conjunction with other factors, imply an employment relationship. Go back to PART I and re-evaluate each question. If questions 1 - 6 are still all "NO," continue . . .

10.	Does the individual operate an independent trade or business that is available to the general public? *A determining factor in judging independence is the performance of services to the general public. NOTE: Possession of a business license or incorporation does not automatically satisfy this requirement. Conversely, there are instances where an individual runs a small business and may not perform services on a full time basis but functions independently and offers services to a wide array of institutions, if needed. Please explain further, as necessary, in the comments section.*		
11.	Does the individual have a substantial investment in his/her business, i.e maintains a facility, equipment, etc.? *This is indicative of economic risk inherent in business enterprises. An independent contractor must be able to make a profit or sustain a loss. Conversely, as in #10, this may be a small business with minimal investment required. Please explain situation further as necessary.*		

If either 10 or 11 are "NO," there is a strong possibility that the individual does not qualify as an independent contractor and must be paid as a District employee. If this is so, STOP HERE.

If 10 and 11 are both **"YES,"** (as justified in the comments section, if necessary) continue..

12.	Does the individual provide all materials and support services necessary for the performance of this service? *The District should not be providing office space, clerical, secretarial, or any other support for this individual such as materials, Xeroxing, printing, office supplies, etc. Any necessary assistants would be hired by the individual.*		
13.	Is this paid by the job? *While a flat rate is descriptive of compensation to Independent Contractors, hourly rates may be used too engage certain professionals such as lawyers.*		
14.	Does the individual bear the cost of any travel and business expenses incurred to perform this service? *Generally, these types of expenses are paid by an employer, however, some contracts provide for payment of airfare, mileage, etc. for consultants.*		

If 10 and 11 are **"YES,"** 12 through 14 should also be **"YES"** and are items that should be written into the contract. This individual is an independent contractor.

Name & Title of Person Completing Questionnaire _____ Date _____

Reviewed by (Division Dean or Director) _____ Date _____

Provide additional information (if necessary), referencing the question #.

PERFORMER / GUEST SPEAKER / REFEREE AGREEMENT

☐ ***Multiple-Engagements***

I, _____ agree to perform ***Referee/Official Services*** (Services) for the North Orange County Community College District's (District), _____ Campus. This release will be applicable for the fiscal year _____ to _____.

☐ ***One-Time Engagement***

I, _____ agree to perform
☐ ***Performer,*** ☐ ***Musician, or*** ☐***Guest Speaker Services*** as specified:

for the North Orange County Community College District's (District), _____ Campus, on or about _____, _____. I understand that the District will compensate me the total sum of _____ ($_____) for the performance of these Services, payable upon service completion.

I understand that I am working as an individual Independent Contractor and not as a company with or without employees. I further understand that I am not an employee of the District, and that I am required to complete and submit an I.R.S. Form (W-9) to the District prior to the receipt of payment for such Services.

I understand and acknowledge that the Services I perform may be dangerous and hazardous and, by its very nature may pose the potential risk of severe and serious physical and emotional injury/illness, or even death, to those individuals who perform such Services.

I UNDERSTAND AND ACKNOWLEDGE THAT IN ORDER TO PARTICIPATE IN THESE SERVICES, **I AGREE TO ASSUME ALL LIABILITY AND RESPONSIBILITY FOR ANY AND ALL POTENTIAL RISKS, INJURIES, OR EVEN DEATH THAT MAY BE CAUSED BY MY NEGLIGENCE OR MISCONDUCT WHILE PARTICIPATING IN SUCH SERVICES.** I represent and warrant that I am mentally and physically fit, capable, able, and willing to complete these Services without any limitations.

I understand, acknowledge, and agree that the District, its trustees, employees, agents, coaches, teachers, students, volunteers, or representatives shall not be liable for any injury/illness suffered by me which is incident to and/or associated with preparing for and/or conducting such Services.

I hereby release, discharge, indemnify, and agree to hold harmless District, District's governing board (Board), and College and each of their trustees, employees, agents, coaches, teachers, volunteers, and representatives free from any and all liability arising out of or in connection with my performance of these Services. For purpose of this RELEASE, liability means all claims, demands, losses, causes of action, suits, or judgments of any kind that myself or my guardians, heirs, executors, administrators, and assigns may have against District, Board, College, and their trustees, employees, agents, coaches, teachers, volunteers, and representatives because of my personal, physical or emotional, injury, accident, illness, or death, or because of any loss of or damage to property that occurs to me or my property during my performance of Services that may result from any cause including but not limited to District's, Board's, College's, trustees', employees', agents' coaches', teachers', volunteers', students', or representatives' own passive negligence or other acts other than active negligence, fraud, willful misconduct, or violation of the law.

_____ (Initials) **I ACKNOWLEDGE THAT I HAVE CAREFULLY READ THIS AGREEMENT FOR SERVICES AND RELEASE OF LIABILITY. I UNDERSTAND THE POTENTIAL DANGERS INCIDENT TO PERFORMING THE SERVICES DESCRIBED HEREIN. I AM FULLY AWARE OF THE LEGAL CONSEQUENCES OF THIS AGREEMENT, AND AGREE TO ITS TERMS AND UNDERSTAND I AM WAIVING CERTAIN RIGHTS AND ASSUMING THE RISK OF DAMAGE FROM MY PERFORMANCE OF SERVICES CONTEMPLATED BY THIS AGREEMENT. THIS AGREEMENT SETS FORTH MY ENTIRE AND INTEGRATED AGREEMENT WITH THE DISTRICT.**

Signature	Signature of Campus Administrator
Name: _____	Name: _____
Address: _____	Title: _____
Date: _____	Date: _____

*****PERSONS WHO DO NOT ACCEPT THE RISKS DESCRIBED ABOVE SHOULD NOT SIGN THIS DOCUMENT. FAILURE TO SIGN WILL PREVENT AN AGREEMENT TO PERFORM THE SERVICES DESCRIBED ABOVE FROM BEING FORMED.**

INDEPENDENT CONTRACTOR GUIDELINES

An Independent Contractor is not an employee and is not under the control of the District. In general, an Independent Contractor is an individual with a specific skill or technical knowledge hired by means of a written agreement to do a particular job for a designated period of time.

A District Employee should not be employed as an Independent Contractor. The IRS scrutinizes the returns of individuals who receive both a W-2 Form and a 1099 Form in the same calendar year from one employer. If a District employee is hired to perform a service outside the scope of their normal duties, he/she must be paid through the payroll process.

INSTRUCTIONS FOR AGREEMENTS WITH INDEPENDENT CONTRACTOR (IC)
All of the following information is required from the IC before the contract can be officially agreed upon.

1. **Independent Contractor Questionnaire.** This is the first step in the process and the one that evaluates conditions of an engagement and service provider's background concluding if it meets the criteria of an independent contractor. This questionnaire is completed by a representative from the Division requesting the services and reviewed by the Dean/Director or a designee.

2. **Scope of Work (SOW).** The SOW must be provided by the IC. The SOW should contain cost, milestones, reports, deliverables, timelines and end products that are expected to be provided by the IC.

3. **W-9.** The IC must complete and turn in a W-9 or have a current one on file with the District Purchasing Department.

4. **Insurance Requirements**. Certificate of Insurance should be made out to the District, naming the District as additional insured, along with an Additional Insured Endorsement. The limits are as follows:

   - **Workers' Compensation –** in accordance with California Labor Code Section 3700, Contractor shall secure Workers' Compensation coverage in a form and amount covering Contractor's full liability under the California Workers' Compensation Insurance & Safety Act and in accordance with the applicable state and federal laws.
   - **General Liability -** The policy shall contain a combined single limit of liability of not less than $1,000,000 per occurrence/$3,000,000 annual aggregate**.**
   - **Automobile Liability** – If Contractor is using any automotive vehicles in connection to this agreement, Contractor shall maintain an automobile liability policy, which shall include coverage on all owned, non-owned and hired vehicles and shall have a minimum limit of liability of not less than $1,000,000 per occurrence.
   - **Cyber Liability (Technology E&O)** - Contracts for services provided by: technology or IT consultants, systems analysts, website designers, online services and content providers, cloud based providers, computer programmers and software consultants, system installation or software personnel. Minimum coverage shall be $1,000,000 per occurrence/$3,000,000 Aggregate.
   - **Cyber Liability -** Contracts for services provided by: Payroll personnel/companies and Vendors or Contractors having access to Personally Identifiable Information of employees and students. Minimum coverage shall be $1,000,000 per occurrence/$3,000,000 Aggregate.

5. **Contract.** Preparing the contract is the last step in this process. The contract will be signed only after the first four stages have been completed. The person preparing the contract must ensure that the following documents are attached with the contract for signature:

   - The Independent Contractor Questionnaire.
   - A Scope of Work.
   - A copy of the insurance coverage.

- A completed W-9 form if the IC is new and does not have a copy on file in Purchasing.

Contract of $5,000 or less can be signed by the following positions (AP6150):

- Chancellor
- Vice Chancellor
- College Presidents
- Provost
- Vice President, Administrative Services
- Director, Fiscal Affairs
- Director, Budget & Finance
- Manager, Administrative Services
- Manager, Campus Accounting

Contracts over $5,000 can be signed by the Vice Chancellor, Administrative Services and the District Director, Purchasing. The NOCCCD Board of Trustees approves amounts in excess of bid limit $119,100 (this amount is adjusted annually).

6. Requisition (RQ). The person preparing the contract must verify that the RQ has been entered into the Banner system.

7. **Purchase Order (PO).** The Purchasing Department will issue a PO when a complete contract packet is received.

The IC may not begin working without an executed contract signed by the District and a Purchase Order signed by Purchasing.

8. Exception.

a. Worker Compensation Exemption. In the event where the IC is the sole employee of the firm, the IC must complete the Exemption from Worker's Compensation form to be exempt from this requirement.

b. Independent Contractor for Performer / Guest Speaker / Referee. In the event where the IC is a Performer, Guest Speaker, or Referee, the standard IC Agreement will be substituted for the Performer / Guest Speaker / Referee Agreement Release of Liability.

c. **Pro Bono Service**. In the event where the IC provided professional work voluntarily and without payment, the Pro Bono Service agreement shall be used.

INDEPENDENT CONTRACTOR AGREEMENT (ICA)

(This agreement is not a construction contract within the meaning of Civil Code Section 2783, and is not an agreement for the provision of construction services within the meaning of Public Contract Code section 20651.)

THIS AGREEMENT is hereby entered into by the NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT, hereinafter referred to as DISTRICT, and;

CONTRACTOR				TAXPAYER I.D. NO./SSN
Mailing Address	City	State	Zip	Telephone

hereinafter referred to as CONTRACTOR.

1. **Services. [Enter services to be provided]**

   Contractor hereby agrees to perform the professional services set forth in Exhibit "A", attached hereto and incorporated herein by reference, to the satisfaction of the District. Scope of Work details/Exhibit "A" must be provided.

   CONTRACTOR will determine the method, details, and means of performing the above-described services. The DISTRICT shall not control the manner or determining the method of accomplishing CONTRACTOR'S services.
   CONTRACTOR shall, at CONTRACTOR'S own expense, employ such individuals as CONTRACTOR deems necessary to perform the services required by the DISTRICT. The DISTRICT may not control, direct, or supervise CONTRACTOR'S employees in the performance of those services. CONTRACTOR shall supply all materials, equipment, supplies, tools and instrumentalities required to perform and complete the services required by the DISTRICT.

2. **Term.** CONTRACTOR shall commence providing services under this agreement on **[Enter start date (Month DD, YYYY)]** and will diligently perform as required and complete performance by **[Enter completion date (Month DD, YYYY)]**.

3. **Payment.** The DISTRICT shall pay the CONTRACTOR a fee not to exceed **[Enter not to exceed amount]**, for services rendered pursuant to this Agreement. **Payment shall be made upon submission of an invoice in a form acceptable to the DISTRICT.** Such fee shall include any costs and expenses paid or incurred by CONTRACTOR in performing services for the DISTRICT.

4. **Relationship of the Parties**. CONTRACTOR, in the performance of this Agreement, shall be and act as an independent contractor. CONTRACTOR understands and agrees that CONTRACTOR and all of CONTRACTOR'S employees shall not be considered officers, employees or agents of the DISTRICT, and are not entitled to benefits of any kind or nature normally provided employees of the DISTRICT and/or to which DISTRICT'S employees are normally entitled, including, but not limited to, State Unemployment Compensation or Worker's Compensation. CONTRACTOR assumes the full responsibility for the acts and/or omissions of CONTRACTOR'S employees or agents as they relate to the services to be provided under this agreement. CONTRACTOR shall assume full responsibility for payment of all federal, state and local taxes or contributions, including unemployment insurance, social security and income taxes with respect to CONTRACTOR'S employees.

   CONTRACTOR, if an employee of another public agency, certifies that CONTRACTOR will not receive salary or remuneration, other than vacation pay, as an employee of another public agency for the actual time in which services are actually being performed pursuant to this Agreement.

5. **Funding**. This agreement is contingent upon the approval of, receipt of funds from, and obligation of funds by the applicable funding agency to the North Orange County Community College District.
6. **Originals**. CONTRACTOR agrees that all materials including, but not limited to, technologies, procedures, processes, methods, works, writings, ideas, dialogues, compositions, artwork, recordings, teleplays, and video productions prepared for, written for, submitted to the DISTRICT, and/or used in connection with this Agreement shall be wholly original to CONTRACTOR and shall not be copied in whole or in part from any other source, except that submitted to CONTRACTOR by DISTRICT as a basis for such materials.

7. **Ownership.** CONTRACTOR understands and agrees that all materials produced under this Agreement shall become the property of the DISTRICT and cannot be used without DISTRICT'S expressed written permission. DISTRICT shall have all right, title and interest to said materials including the right to secure and maintain a copyright and/or trademark of said materials in the name of the DISTRICT. CONTRACTOR consents to use of CONTRACTOR'S name in conjunction with the sale, use, performance, and distribution of the materials for any purpose and in any medium

8. **Termination**. DISTRICT may, at any time, for any reason terminate this Agreement and compensate CONTRACTOR only for services rendered to the date of termination. Written notice by DISTRICT shall be sufficient to stop further performance of services by CONTRACTOR. Notice shall be deemed given when received by the CONTRACTOR or no later than three days after the day of mailing, whichever is sooner.

9. **Indemnification.** CONTRACTOR agrees to and does hereby indemnify and hold harmless the DISTRICT and its Board of Trustees, officers, employees and agents from every claim or demand made and every liability, loss, damage or expense, of any nature whatsoever, which may be incurred by reason of:

    a. Liability for damages for: (1) death or bodily injury to person; (2) injury to, loss or theft of property; or (3) any other loss, damage or expense rising out of (1) or (2) above, sustained by the CONTRACTOR or any person, firm or corporation employed by the CONTRACTOR, either directly or by independent contract upon or in connection with the services called for in this Agreement, however caused, except for liability for damages referred to above which result from the sole negligence or willful misconduct of the DISTRICT or its officers, employees or agents.

    b. Any injury to or death of any person(s), including the DISTRICT'S officers, employees and agents, or damage to or loss of any property, caused by any act, neglect, default, or omission of the CONTRACTOR, or any person, firm or corporation employed by the CONTRACTOR, either directly or by independent contract, arising out of, or in any way connected with, the services covered by this Agreement, whether said injury or damage occurs either on or off DISTRICT'S property, except for liability for damages which result from the sole negligence or willful misconduct of the DISTRICT or its officers, employees or agents.

    c. Any liability for damages which may arise from the furnishing or use of any copyrighted or uncopyrighted matter or patented or unpatented invention under this Agreement.

    d. The CONTRACTOR, at CONTRACTOR'S expense, cost, and risk, shall defend any and all actions, suits or other proceedings that may be brought or instituted against the DISTRICT, its Board of Trustees, officers, agents, or employees on any such claim, demand, or liability arising out of or in any way connected with any services covered by this Agreement, and shall pay or satisfy any judgment that may be rendered against the DISTRICT or its Board of Trustees, officers, agents, or employees in any such action, suit, or other proceeding as a result thereof.

10. **Insurance.** CONTRACTOR agrees to procure, pay for, and keep in full force and effect, the following types of insurance:

a. Comprehensive general liability: No less than $1,000,000 per occurrence and $3,000,000 aggregate.
b. Automobile liability insurance per accident for bodily injury and property damage shall be for no less than $1,000,000 per occurrence with no annual aggregate limit.
c. Workers' Compensation Insurance
d. Professional liability insurance (Errors and Omissions), shall be for no less than One Million Dollars ($1,000,000) per occurrence.
e. Cyber Liability (Technology E&O) - Contracts for services provided by: technology or IT consultants, systems analysts, website designers, online services and content providers, cloud based providers, computer programmers and software consultants, system installation or software personnel. Minimum coverage shall be $1,000,000 per occurrence and $3,000,000 Aggregate.
f. Cyber Liability **-** Contracts for services provided by: Payroll personnel/companies and Vendors or Contractors having access to Personally Identifiable Information of employees and students. Minimum coverage shall be $1,000,000 per occurrence and $3,000,000 Aggregate.

Such insurance must be in a form mutually acceptable to both parties to protect CONTRACTOR and DISTRICT against liability which may arise out of this Agreement. In addition, CONTRACTOR agrees to provide an endorsement to this policy stating, "Such insurance as is afforded by this policy shall be primary, and any insurance carried by DISTRICT shall be excess and noncontributory." No later than fourteen (14) days from execution of this Agreement by the DISTRICT and CONTRACTOR, CONTRACTOR shall provide DISTRICT with certificates of insurance evidencing all coverages and the endorsements required hereunder including a thirty (30) day written notice of cancellation or reduction in coverage. CONTRACTOR agrees to name DISTRICT and its Board of Trustees, officers, agents and employees as additional insureds under said policy.

11. **Assignment.** CONTRACTOR shall not assign or delegate the performance of any services required under this Agreement or any part of this Agreement. Any such assignment or delegation shall be null and void.
.
12. **Compliance with Applicable Laws.** CONTRACTOR and all CONTRACTOR'S employees or agents shall secure and maintain in force such permits and licenses as are required by law in connection with the furnishing of services pursuant to this Agreement. The services required herein must meet the approval of the DISTRICT and shall be subject to the DISTRICT'S general right of inspection and supervision to secure the satisfactory completion thereof. CONTRACTOR agrees to comply with all DISTRICT policies and procedures and all federal, state and local laws, rules and regulations that are now, or may in the future become applicable to CONTRACTOR, CONTRACTOR'S business, equipment, and personnel engaged in services covered by this Agreement or accruing out of the performance of such services.

13. **Non - Discrimination.** CONTRACTOR agrees that it will not engage in unlawful discrimination in employment of persons because of race, ethnicity, religion, nationality, disability, gender, or age of such persons.

14. **Non-Waiver.** The failure of DISTRICT or CONTRACTOR to seek redress for violation of, or to insist upon, the strict performance of any term or condition of this Agreement shall not be deemed a waiver by that party of such term or condition, or prevent a subsequent similar act from again constituting a violation of such term or condition.

15. **Notice**. All notices or demands to be given under this Agreement by either party to the other, shall be in writing and given either by: (a) personal service or (b) by U.S. Mail, mailed either by registered or certified mail, return receipt requested, with postage prepaid. Service shall be considered given when received, if personally served, or if mailed on the third day after deposit in any U.S. Post Office. The address to which notices or demands may be given by either party may be changed by written notice given in accordance with the notice provisions of this section.

16. **Debarment**. Contractor agrees to comply with 45 CFR Part 76, Appendix B – Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion – Lower Tier Covered Transactions. Contractor certifies by signing this agreement, to the best of his or her knowledge and belief, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

17. **Severability.** If any term, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force and effect, and shall not be affected, impaired or invalidated in any way.

18. **Changes.** This agreement constitutes the entire agreement between the parties to it and supersedes any prior or contemporaneous understanding or agreement with respect to the transactions contemplated. It may be amended only by a written instrument executed by all of the parties to the Agreement.

19. **Warranty.** Contractor warrants that it shall provide all services required hereunder in a reasonable and competent fashion which meets or exceeds any and all applicable industry standards for such work. Contractor agrees that District's payment obligation hereunder is conditioned on Contractor's completion of all of its work unless otherwise specified hereunder. District's remedies for breach of warranty shall include any and all remedies under law including without limitation, covering and suing for damages, and equitable relief.

20. **Governing Law.** The terms and conditions of this Agreement shall be governed by the laws of the State of California with venue in Orange County, California. This Agreement is made in and shall be performed in Orange County, California.

21. **Entire Agreement.** This agreement and any exhibits attached hereto constitute the entire agreement between the parties and supersedes any prior or contemporaneous understanding or agreement with respect to the services contemplated, and may be amended only by a written amendment executed by both parties to the Agreement.

THIS AGREEMENT IS ENTERED INTO THIS _____, _____, 20__.

CONTRACTOR:	NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
By: _____	By: _____
SIGNATURE	SIGNATURE
PRINTED NAME: _____	PRINTED NAME: _____
PRINTED TITLE: _____	PRINTED TITLE: _____
DATE: _____	DATE: _____

PRO BONO SERVICES

CONTRACTOR

MAILING ADDRESS

This agreement confirms the engagement and clarifies the nature and extent of the services CONTRACTOR will provide. This agreement is made between _____ (Contractor) and _____ (District/Campus).

1. **Services.** (enter services to be provided)

2. **Payment**. CONTRACTOR agrees to undertake this service on a pro bono basis, which means that CONTRACTOR will not charge professional fees in connection with this service.

3. **Termination.** CONTRACTOR understands that DISTRICT may end this agreement at any time for any reason by notifying Guest in writing.

4. **Release of Liability.** Guest hereby release, discharge, indemnify, and agree to hold harmless District, District's governing board (Board), and College and each of their trustees, employees, agents, coaches, teachers, volunteers, and representatives free from any and all liability arising out of or in connection with my performance of these Services. For purpose of this RELEASE, liability means all claims, demands, losses, causes of action, suits, or judgments of any kind that myself or my guardians, heirs, executors, administrators, and assigns may have against District, Board, College, and their trustees, employees, agents, coaches, teachers, volunteers, and representatives because of my personal, physical or emotional, injury, accident, illness, or death, or because of any loss of or damage to property that occurs to me or my property during my performance of Services that may result from any cause including but not limited to District's, Board's, College's, trustees', employees', agents' coaches', teachers', volunteers', students', or representative's own passive negligence or other acts other than active negligence, fraud, willful misconduct, or violation of the law.

CONTRACTOR	DISRICT/CAMPUS
_____	_____
Signature	Signature
_____	_____
Date	Date

CAL-CARDS

The State of California Purchasing Card Program CAL-Card is a business credit card intended to simplify the purchasing and payment process. It provides users with greater flexibility on small dollar transactions. These VISA credit cards are issued in the name of the employee and billed to the District. These cards are the property of the District and shall not be used for personal reasons in accordance with Board Policy BP 6310 – Personal Use of District Property, Facilities and Equipment.

The Vice Chancellor, Administrative Services, has the authority to determine the issuance or continuance of the cards. It is the responsibility of District employees assigned a CAL-Card to use the card in a responsible and correct manner in the expenditure of public funds. Internal audit will perform periodic reviews of CAL-Card holder's transactions. These employees will be held accountable for all charges made on the card.

The CAL-Card is a supplement to the procurement process. CAL-Cards are not to take the place of purchase orders. The following conditions must be met when using this card:

- The CAL-Card should be used in lieu of emergency purchase orders, cash purchases, and advance check requests when the dollar amount for a single item or a group of items is less than $1,000. Splitting purchases to bypass the dollar limitations is not allowed. CAL-cards cannot be used for:

  Personal purchases (no exceptions)
  Cash Advances (no exceptions)
  Fuel Purchases (use District issues gas cards)
  Rental or lease of land or building
  Purchase of telephone services
  Gambling (no exceptions)
  Purchase of securities or insurance
  Tax payments
  Court costs, fines, bail or bond payments
  Communication equipment (cell phones, radios, fax machines)
  Maintenance agreements
  Equipment
  Travel and entertainment expenses
  Employment agencies or temporary help
  Chemicals
  Collectibles or antiques
  Recurring Subscriptions
  Recurring Services
  Liquor
  Amazon
  Splits to bypass spending limits

  Exceptions to the above may be allowed on an individual basis by the District Director, Purchasing.

- Each single purchase may be comprised of multiple items, but the total cannot exceed the single purchase dollar limit on the CAL-Card. Purchases should not be split to circumvent the purchasing regulations per government code or District Policy. When a purchase may exceed the limit established, Purchasing must be notified, and approval must be received from the cardholder’s direct supervisor to avoid being considered a split.

- Meals or Food Purchases-Meal or food expenditures must be reasonable and prudent per BP 6350 Hospitality. Each food purchase must have a valid business purpose. Cardholders need to provide an itemized receipt and document the business purpose, vendor date, location, and attendees. The funds expended are public funds and must be treated with prudent management.

- **CAL-Card Dollar Limit** – The NOCCCD limit is set at:

  - $1,000 per day
  - $5,000 per month and
  - $10,000 per vendor per fiscal year

  As necessary the approving official or the District Director, Purchasing, may establish lower or higher limits.

  - **Administrative Costs** - There is a cost for using the CAL-Card. The monthly statement will include an Administrative Fee of 1/10th of 1% of the total statement amount.

1. **Obtaining and Using the CAL-Card**

   A. An employee whose position requires routine ordering of materials and services utilizing blanket orders and check requests for dollar amount should complete the **CAL-Card Account Set-up form** (Attachment # 1) and **Approving Official Request Form** (Attachment # 2) included with this procedure. The form should be approved by the Approving Official and the Budget Official and subsequently to the District Director, Purchasing, who will request a card in the name of the designated employee.

   B. Upon receipt of the card, the District Director, Purchasing, will contact the employee who must complete and sign the **Cardholder Agreement** (Attachment # 3) acknowledging receipt of the card and an understanding of the dollar limits and guidelines for using the card.

   C. Using the CAL-Card is just like using a regular VISA card. An itemized sales receipt indicating the description, amount of the purchase, date, and name of the vendor must be maintained for reconciliation and payment. Itemized receipts must be reconciled to the US Bank statement and approved by the cardholder's direct supervisor. Each cardholder must submit their receipts and approvals of their direct Supervisor to Accounts Payable by the 30th of each month.

   D. If ordering by mail, maintain and attach a copy of the order form with the billing statement if the vendor fails to provide a sales/transaction slip.

      - **Internet Orders** - Amazon orders are required to go through the NOCCCD portal. Amazon purchases with Cal Cards are not allowed. General merchandise orders need to go through the NOCCCD Amazon Portal. When ordering through the internet, be sure that you are ordering through a secure server. Obtain confirmation of the order for tracking purposes. Save the confirmation, as this may be the only backup you may have for reconciling the monthly statement and will be required for payment in lieu of a sales receipt.

      - **Delivery** - All orders must be delivered to one of the three campuses for receiving Anaheim, Cypress, or Fullerton. Shipping items to off-campus locations are not allowed.

   E. The monthly billing statement will itemize all transactions charged to the CAL-Card. The statements are dated the 24th of the month and individual statements received by the 1st of the following month. If statements are not received by that date, the employee should immediately contact District Accounts Payable to request a copy of the charges. Upon receipt of the monthly statement, the cardholder will:

      - Review the statement for accuracy
      - Indicate the appropriate account number(s) for each transaction. If charging more than one account per transaction, indicate the dollar split to be applied to each account. The administrative fee must be charged to the same account numbers(s) as the transaction
      - Attach all sales receipts and necessary supporting documents to the statement. After signing and indicating the budget number, e-mail to District Accounts Payable on the day the statement is received.
      - Sign the statement and forward the original to the approving official within five (5) working days of

receipt for signature. The approving official will forward the documents to the Budget Officer for approval and subsequently to District Accounting within five (5) working days.

If you returned a purchased item, attach and/or verify any credit vouchers received to the monthly statement where the credit appears and indicate the appropriate account number for the credit.

F. **Incorrect Charges** – Contact the vendor first to try and resolve the dispute. If this approach is not successful, provide a complete explanation of the error on the Cardholder Statement of Questioned Items (Attachment # 5) and email to calcard@usbank.com. Any item that is on the statement and was unable to be resolved with the vendor should be filed using this form. You have sixty (60) days to dispute a charge using this form.

G. **Away from the Office –** If you are unable to review the Statement of Account, forward the statement with all pertinent documents to your approving official. You can sign the original statement upon your return.

H. **Suspension Procedures –** Prompt receipt of your Statement of Account within 10 working days is an essential part of the CAL-Card process that allows making payments on a timely basis. The District's entire Cal-Card charges must be paid in full every month in order to keep every card active. If the District Accounting Office does not receive your Statement by the 15th of the month, your name and the amount outstanding will be forwarded to your college President, Provost, Vice-Chancellor Administrative Services and the Budget Manager. The outstanding amount will be charged to the appropriate budget.

The CAL-Card follows a three-strike system for each policy violation. Violations include but are not limited to:

- Split purchases
- Inappropriate transactions
- Purchases without an itemized receipt
- Purchases shipped to a non-campus location
- Purchases without a direct supervisor's approval
- Purchases without a business purpose
- Nonsubmittal or non-timely submittal of receipts to Accounts Payable

Employees who receive three strikes within a twelve month period will have their cards suspended or revoked at the discretion of the Vice Chancellor, Administrative Services or the District Director, Purchasing.

I. **Lost or Stolen Cards** – Immediately notify (in order), the bank, your designated Approving Official and the District Director, Purchasing. The number for reporting lost or stolen cards is (800) 344-5696. Be prepared to provide the following information:

- Your name
- Card number
- Social Security number
- Mother's maiden name
- Date reported to the police

If stolen, provide the following additional information:
- Date the bank was notified
- Any purchases made on the day the card was lost or stolen

A new card will be mailed to you within a few days from the time you reported the loss or theft to the bank. A new account number will be assigned to your new card.

J. **Changes to Cardholder Information** – Changes to cardholder's name, address, organization, 30-day or single purchase limit and type of merchant or supplier should be reported to the District Director,

Purchasing, by completing the **Request for Changes to the CAL-Cardholder Information** (Attachment # 6)

K. **Closure of Account**

- Upon terminating employment with NOCCCD, you must return your card to the District Director, Purchasing, and complete the **Request to Close CAL-Card Account** (Attachment # 7).
- CAL-Cards cannot be transferred to another employee
- If you transfer to another department, return your CAL-Card to the District Director, Purchasing. If your new assignment requires a CAL-Card, a new Request for CAL-Card form will be required.
- On a quarterly basis, the District Director, Purchasing, will provide a list of all CAL-Cards issued to the Budget Officers. A physical inventory of all CAL-Cards within each business unit will be taken by the Approving Official and reported back to Purchasing.

NORTH ORANGE COUNTY COMMUNIT COLLEGE DISTRICT
CAL-Cardholder Agreement Setup

Name _____ **Date** _____

Title _____

Site & Department _____

Business Telephone _____

Single Purchase Limit: _____
Generally, not to exceed $1,000 per transaction

30-day Purchase Limit: _____
Generally, not to exceed $5,000 per month

I hereby certify that the statements above are true and complete to the best of my knowledge and belief. I understand that any false statements on this application may be the cause for my termination.

_____
Signature of Applicant Date

Approve ☐ Disapprove ☐

_____
Name of Approving Official

_____
Signature of Approving Official Date

_____
Approving Official's Account Number

Approve ☐ Disapprove ☐

_____
Name of Budget Officer

_____
Signature of Budget Officer Date

Approve ☐ Disapprove ☐

_____
Signature of District Director, Purchasing Date

If this is a new approving official, please complete the information on the back of the form.

ATTACHMENT 1

NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
CAL-CARD
Approval Official Request

Date _____

Approving Official's Full Name _____

Site _____

Department _____

Department Phone Number _____

Department Limit $_____
Sufficient to include the 30-day purchase limits of all assigned cardholders

Budget Officer Name _____

Budget Officer Signature _____

President/Chancellor Name _____

President/Chancellor Signature _____

ATTACHMENT 2

NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
Cardholder Agreement

Please review the terms stated below and sign:

I agree to use this card only for approved business expenses incurred in accordance with the district guidelines. I understand and acknowledge that the use of the card may not be delegated to anyone other than myself as a cardholder.

I have read the District CAL-Card Guidelines and the receipt thereof and agree to abide by the guidelines. I acknowledge that the use of this card for any purpose other than NOCCCD-approved business expense is prohibited and is grounds for corrective action, up to and Including termination. In addition, I must reimburse NOCCCD for such charges.

I agree to surrender the card immediately upon retirement, termination, changing positions, or upon request of an authorized: representative of NOCCCD Purchasing. I understand that the use of the card after privileges are withdrawn is prohibited.

If the card is lost or stolen, I will immediately notify the issuing bank by telephone. I will confirm the telephone notification by mail or facsimile to the issuing bank with a copy to the Purchasing department. I understand that failure to promptly notify the issuing bank of the theft, loss, or misplacement of the credit card could make me responsible for any fraudulent use of the card.

Bank Contact

US Bank National Association
C/O US Bancorp Purchasing Card Program
PO Box 6335
Fargo, ND 58125-6335
Customer Service: (800)344-5696

NOCCCD Purchasing Department

District Director, Purchasing
1830 W Romneya Dr
Anaheim, CA 92801
Phone: (714)808-4848
Fax: (714)808-4762

Card # _____

Cardholder _____

Signature _____

Date _____

Name _____

Signature _____

Date _____

ATTACHMENT 3

NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
CAL-CARD MONTHLY BANK CARD LOG

Cardholder Name: _____ **Transaction for the Month of:** _____

Date	Supplier	Description	Items Received	Amount	Reconciled to Statement

REMINDER: Keep all receipts and attach receipts to your Monthly Bank Card Log. Reconcile your account monthly, sign your monthly bank card statement, and forward the statement and receipts to your supervisor within **five (5) days** of receipt of your monthly bank statement.

ATTACHMENT 4

NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
Cardholder's Statement of Questioned Items

_____ _____
CARDHOLDER NAME ACCOUNT NUMBER

_____ _____
CARHOLDER SIGNATURE DATE TELEPHONE NUMBER

The transaction in question as shown on the Statement of Account:

Transaction Date	Reference Number	Merchant	Amount	Statement Date
			$	

Please read each of the following situations carefully and check the one most appropriate to your dispute. If you have any questions, please contact US Bank at 1(800)344-5696. US Bank will be able to advise you on this matter.

1. **Unauthorized Billings**
   ☐ I have not authorized this charge to my account. I have not ordered merchandise or received any goods or services.
   ☐ Duplicate processing, the date of the first transaction was _____.

2. **Multiple Billings**
   ☐ The transaction listed represents multiple billings to my account. I only authorized one charge from this merchant for this amount, and my card was in my possession at all times.

3. **Merchandise Not Received**
   ☐ My account has been charged for the above transactions, but I have not received the merchandise or services. I have contacted the merchant, but the matter was not resolved.

4. **Merchandise Not Credited in the Amount of $**_____.
   ☐ My account has been charged for the above-listed transaction, but the merchandise has since been credited (enclosed is a copy of my return shipment tracking number).

5. **Credit Not Received**
   ☐ I have not received a credit voucher for the above-listed charge, but it has not yet appeared on my account. A copy of the credit voucher is enclosed (Please provide a copy of the credit voucher).

6. **Altered Amount**
   ☐ The amount of this charge has been altered since the time of purchase. Enclosed is a copy of my sales draft showing the amount for which I signed. The difference in the amount is $_____.

7. **Inadequate Description of Unrecognized Charge**
   ☐ I do not recognize this charge. Please supply a copy of the sales draft for my review. I understand that when a valid copy is sent to me, a Statement of Questioned Items Form must be provided and will include a copy of the sales draft if a further dispute exists. If a copy of the sales draft cannot be obtained, a credit will appear on my account.

8. **Copy Request**
   ☐ I recognize this charge but need a copy of the sales draft for my records.

9. Services Not Received

☐ I have been billed for this transaction; however, the merchant was unable to provide the services

☐ Paid for by another means. My Card number was used to secure this purchase; however, the final payment was made by check, cash, another credit card, or purchase order. (Enclosed is my receipt, Canceled check (front & back), copy of credit card statement, or applicable documentation demonstrating payment was made by other means.

10. Not Described

☐ Cardholder must specify what goods, services, or other things of value were received. The items specified do not conform to what was agreed upon with the merchant. The cardholder must have attempted to return the merchandise and stated so in the complaint.

ATTACHMENT 5

NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
Request for Changes to CAL-Cardholder Information

Name: _____ CAL-Card Number: _____

Date: _____

FILL IN ONLY THE INFORMATION BELOW THAT IS TO BE CHANGED

Cardholder Name: _____

Cardholder Title: _____

Site: _____

Department: _____

Department Phone Number: _____

Single Purchase Limit: _____
Generally, not to exceed $1,000 per day

30-Day Purchase Limit: _____
Generally, not to exceed $5,000 per month

APPROVALS

Cardholder Signature: _____

Approving Official Account Number: _____

Approving Official Name*: _____

Approving Official Signature: _____

Budget Officer Name: _____

Budget Officer Signature: _____

District Director, Purchasing Signature: _____

*Note: If this is a new Approving Official, complete the Approving Official Request Form – Attachment #2)

ATTACHMENT 6

NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
Request to Close CAL-Card Account

RETURN CAL-CARD(S) CUT IN HALF WITH THIS FORM

TO: PURCHASING DEPARTMENT

Date: _____

CAL-Cardholder's Name: _____

Site: _____

Department: _____

CAL-Card Number: _____

Reason for Request:

- ☐ Transfer
- ☐ Resignation or Retirement
- ☐ Other: _____

Approving Official Name: _____

Approving Official Signature: _____

Budget Officer Name: _____

Budget Officer Signature: _____

District Director, Purchasing Signature: _____

ATTACHMENT 7

GASOLINE CREDIT CARDS

In order to efficiently provide fuel for District motor vehicles, gasoline credit cards are provided to certain departments that maintain motor vehicles. The District uses credit cards from a variety of the major gasoline companies as a convenience for use at locations where gasoline availability may be limited. The following procedures have been developed in using these credit cards:

1. **Control Procedures**

   A. The following departments are currently tasked as custodians of credit cards:

   - Cypress College Physical Plant & Facilities;
   - Cypress College Campus Safety;
   - Fullerton College Physical Plant & Facilities;
   - Fullerton College Campus Safety;
   - School of Continuing Education Budget Officer;
   - District Public Affairs (Mailroom, Printing & Warehouse);
   - Fullerton College Administration of Justice;
   - District Facilities.

   B. New or replacement credit cards will be distributed by District Accounts Payable only to the above listed personnel. Departments not previously issued a card should submit a request to their respective Budget Officer who in turn will authorize District Accounts Payable to issue the required number of credit cards.

   C. All cards shall be maintained in the office and issued to the user of a District motor vehicle. The use should be logged including the date and time the card was released and returned as well as the amount charged to the card evidenced by the sales receipt. **At no time should a gasoline card be in the possession of an employee beyond the use of a District motor vehicle.**

   D. The custodian assigned for maintaining the cards should ensure that the card and receipts are submitted on a timely basis for payment.

   E. When a gasoline credit card expires, the departmental custodian requests a new card through Accounts Payable. Upon receipt of the new cards, the departmental custodian is advised to come to the District office to sign for the renewal cards. Accounts Payable makes a copy of all new cards and maintains these on file. The expired cards are destroyed.

2. **Reconciling and Paying Gasoline Credit Card Obligations**

   A. Monthly billing statements are paid upon receipt by District Accounts Payable. These billing statements are distributed to credit card custodians for the review and reconciliation with gas receipts. Upon receipt of the statements, these individuals should perform the following:

   - Check-off each statement transaction against the gas receipt;
   - If a receipt is unaccounted for, contact the most recent user of the gas card and determine if all receipts were submitted when the vehicle and the gas card were returned. If the receipt is unaccountable, it should be indicated as a “lost receipt” in the billing statement. All receipts will be accounted for and reconciled to the billing statement;
   - Campus locations will closely monitor if lost receipts are from the same users and if determined to be so, future use of the card should be disallowed. If receipts are lost repeatedly, tighter control of submitting receipts need to be adopted or the District Director, Purchasing will eliminate the use of gas cards;
   - Verify if any premium grade fuel was purchased. It should be made clear to users that premium grade is not required by the manufacturer and should not be purchased.

B. At the completion of the reconciliation effort, the monthly statement along with all the receipts will be forwarded to District Accounts Payable where these are stored in order to facilitate quick access when requested by auditors. The reconciled statement and supporting receipts must be returned to District Accounts Payable within one week of receipt of billing.

PETTY CASH

(Questions on Petty Cash should be directed to the District Manager, Fiscal Affairs at X84650)

The use of a Petty Cash System is a simple way to manage small expenditures that require immediate cash payments. There are two ways of using the Petty Cash System:

- Reimbursement of expenditures paid directly for purchases made by employees;
- Maintaining a Petty Cash Fund.

1. **Reimbursement of Expenditures Paid Directly to Employees**

   At times, there is an immediate need to obtain certain materials or equipment. An employee may purchase an item(s) up to $500 using his/her personal funds and subsequently request the District for a refund. While this is an alternative, employees are encouraged to avail of normal purchasing alternative such as using the purchase or blanket order. Using Purchasing contacts and expertise typically result in getting the best value.

   Obtaining Reimbursement. A Petty Cash Voucher (Exhibit No.). This is prepared for each employee that incurs a petty cash expense. This form also indicates the budget number to be charged. All receipts must be attached to this voucher and the nature of the expense should be listed if not stated in the invoice.

   Upon review and approval of the campus Budget Officer, the Petty Cash Voucher is sent to District Accounting for processing.

2. **Maintaining a Petty Cash Fund**

   Typically, a Petty Cash Fund is maintained in a lock box and managed by a custodian appointed the task of disbursing, controlling and requesting reimbursement.

   Starting and Maintaining a Petty Cash Fund

   A. A department that requires the need to have a Petty Cash Fund will write a request to the Budget Officer requesting and justifying the reasons why a Petty Cash fund is required for their department. The Budget Officer will approve a dollar limit to be maintained which is typically $500.

   B. Upon approval, a check request is prepared and cashed by the Custodian. The cash is maintained in small denominations in a lock box.

   C. Employees requesting reimbursement from the petty cash fund will submit a receipt(s) to the Petty Cash Custodian who will review the receipt for reasonableness and indicate the nature of the expense on the receipt. The Custodian cashes the amount of the receipt and pays the employee. The Custodian retains the receipt in the lockbox.

      Cash Advances. In instances when a cash advance is required, an employee will prepare a justification letter for the advance. Upon completion of the transaction, the employee will submit the actual receipt for the expenditure with any change from the amount advanced. The Custodian verifies if the receipt and the change equals the amount of the advance.

      Reimbursement. When the amount of cash remaining in the cash box reaches a minimum level, the Custodian gathers the receipts and prepares:

      - A Petty Cash Reconciliation Reimbursement Form (Exhibit No.). This provides a detailed list of all currency totals as well as the total amount of receipts to be reimbursed. This form is prepared by the Custodian and approved by the Budget Officer. The amount of the remaining cash plus the total of the receipts should always equal the total of the fund set up for the petty cash fund;
      - A Petty Cash Voucher (Exhibit No.). This is prepared for each employee that incurs a petty cash

expense. This form also indicates the budget number to be charged. The receipt(s) must be attached to matching voucher including the nature of the expense incurred.

Upon review and approval of the campus Budget Officer, the receipts and these two forms are forwarded to District Accounting for processing.

SURPLUS

Any equipment or furniture that is no longer useful to the District must be properly disposed. Disposal of surplus items are required Board approval per NOCCCD BP6550 and Ed Code Section 81452.

The followings are approved method of disposal by the District:

- Donation to another educational institution or non-profit agency;
- Bulk sales through a liquidator auction company;
- E-bay sales through a Board approved 3rd party facilitator.

Procedure

- The departments should notify their campus Physical Plant Office of items that need to be surplus.
- Campus Physical Plant office consolidates the lists from all departments and ensures that these are removed from the inventory count maintained for equipment valued at $1,000 and above.
- The list of assets to be surplus is submitted to the Purchasing Department.
- The lists from all locations is consolidated by Purchasing and forwarded to all locations to determine if they have a need for any item on the surplus list. If so, arrangements are made by Purchasing to transfer these to the requesting location.
- Remaining items are offered to be donated to various schools.
- All remaining items to be surplus are submitted for Board approval.
- Action to disposed of the remaining items are taken.

EXCEPTION: Property acquired through the federal or state educational agencies must be retained for four years before it can be sold, traded-in or cannibalized.

UNIFORM STOP NOTICE PROCEDURE – MEASURE J

1. The Campus Project Manager will send the stop-notice to District Purchasing.
2. District Purchasing will receive a stop-notice via mail or the Campus Project Manager.
3. District Purchasing will review the stop-notice with the Campus Project Manager to verify the subcontractor, preliminary notices, accuracy of the stop-notice, and phasing of the project.
4. The stop-notice and a Letter of Notification are sent to the vendor and a copy of the documents is sent to the following parties:
    a. NOCCCD Vice Chancellor, Administrative Services.
    b. NOCCCD Facilities Planning & Construction Director.
    c. District Manager of Fiscal Affairs.
    d. Campus Facilities Director.
    e. Campus Project Manager.
    f. MAAS Bond Program Manager.
    g. MAAS Finance Manager.
5. The MAAS Finance Manager will identify a pending payment application.
    a. If a pending payment application is identified, the MAAS Finance Manager will request Accounts Payable to pull back the payment application from the payment process.
    b. If a payment application is not identified, the MAAS Finance Manager will apply the stop-notice to the next payment application once it is received.
6. The Campus Project Manager will secure the vendor signature on the revised payment application.
7. The MAAS Finance Manager will withhold 125 percent of the value of the stop-notice on the blue half-page and submit it with the payment application with the attached stop-notice to Accounts Payable.
8. Accounts Payable will process the payment using the following steps:
    a. Accounts Payable will process the first line amount in the blue half-page for payment to the vendor that is also reflected on the revised payment application. The suffix, “-SN” will be added to the end of vendor’s invoice number. In the case of exceptions, refer to “Exhibit A.”
    b. Accounts Payable will process a payment application using the normal process for withholding retention. In this case, 5 percent of the total payment application is withheld. A record is created in Banner to document the retention amount.
    c. Accounts Payable will process the stop-notice portion of the invoice that is shown on the blue half-page. The suffix “-SNR” is added to the end of the vendor invoice number and it will be released when the stop-notice release documents are received.

UNIFORM STOP NOTICE RELEASE PROCEDURE – MEASURE J

1. The Campus Project Manager will send the stop-notice release and unconditional waiver from the subcontractor to District Purchasing.
2. District Purchasing will receive the stop-notice release and unconditional waiver via mail or from the Campus Project Manager.
3. District Purchasing will review and verify the stop-notice release with the Campus Project Manager.
4. The stop-notice release and accompanying documents are sent to the vendor and copies are sent to the following parties:
    a. NOCCCD Vice Chancellor, Administrative Services.
    b. NOCCCD Facilities Planning & Construction Director.
    c. District Manager of Fiscal Affairs.
    d. Campus Facilities Director.
    e. Campus Project Manager.
    f. MAAS Bond Program Manager.
    g. MAAS Finance Manager.
5. The Campus Project Manager will secure the vendor's signature on a revised payment application and forward it to the MAAS Finance Manager.
6. The MAAS Finance Manager will document the stop-notice release on form F-098 (also known as the blue half-page).
7. The MAAS Finance Manager will attach the subcontractor unconditional waiver and the stop-notice release to the package and add "-SNR" to the end of the document name.
8. The MAAS Finance Manager will submit the revised payment application package along with form F-098 to the District Manager of Fiscal Affairs to process the payment of the stop-notice release.
9. The District Manager of Fiscal Affairs will instruct Accounts Payable to release the portion that was previously placed on hold as a payment to the vendor.

UNIFORM STOP NOTICE PROCEDURE – NON-MEASURE J

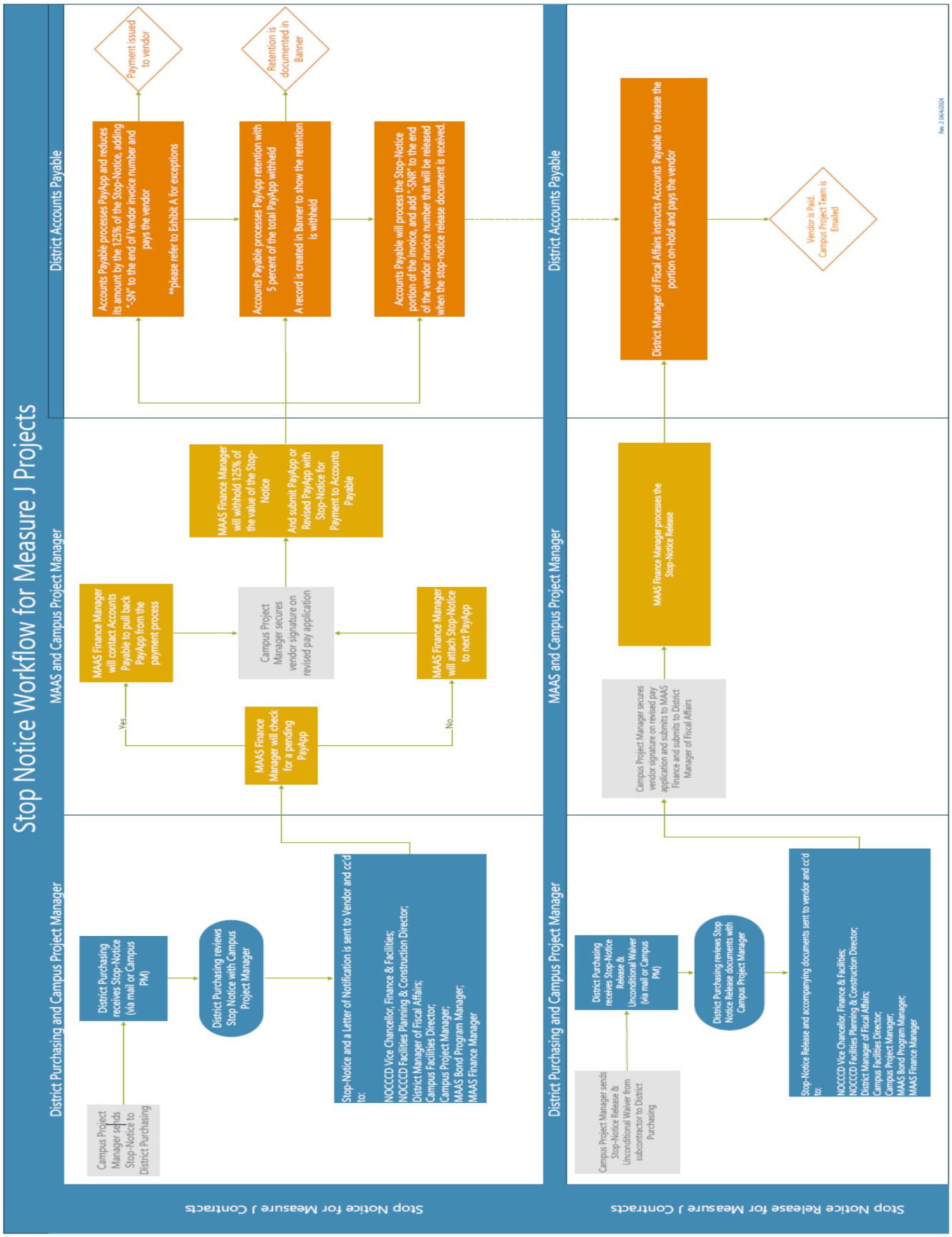
1. The Campus Project Manager will send the stop-notice to District Purchasing.
2. District Purchasing will receive the stop-notice via mail or from the Campus Project Manager.
3. District Purchasing will review the stop-notice with the Campus Project Manager to verify the subcontractor, preliminary notices, accuracy of the stop-notice, and phasing of the project.
4. The stop-notice and a Letter of Notification is sent to the vendor and a copy is sent to the following parties:
    a. NOCCCD Vice Chancellor, Administrative Services.
    b. NOCCCD Facilities Planning & Construction Director.
    c. District Manager of Fiscal Affairs.
    d. Campus Facilities Director.
    e. Campus Project Manager.
5. The District Manager of Fiscal Affairs will direct Accounts Payable on processing the payment application with the stop-notice and will share the check-list with staff. Accounts Payable staff will check the payment application's status and proceed with either of the following steps:
    a. A pending payment application has been identified. Accounts Payable will pull back the payment application from the payment process.
    b. Accounts Payable will attach the stop-notice to the next payment application once it is received.
6. The Campus Project Manager will secure the vendor signature on the revised payment application.
7. The Director Manager of Fiscal Affairs will withhold 125 percent of the value of the stop-notice on the blue half-page and submit it with the payment application with the attached stop-notice to Accounts Payable.
8. Accounts Payable will process the payment application using the following steps:
    a. Accounts Payable will process the first line amount in the blue half-page for payment to the vendor that is also reflected on the revised payment application. The suffix, "-SN" will be added to the end of vendor's invoice number. In the case of exceptions, refer to "Exhibit A."
    b. Accounts Payable will process a payment application using the normal process for withholding retention. In this case, 5 percent of the total payment application is withheld. A record is created in Banner to document the retention amount.
    c. Accounts Payable will process the stop-notice portion of the invoice that is shown on the blue half-page. The suffix "-SNR" is added to the end of the vendor invoice number and it will be released when the stop-notice release documents are received.

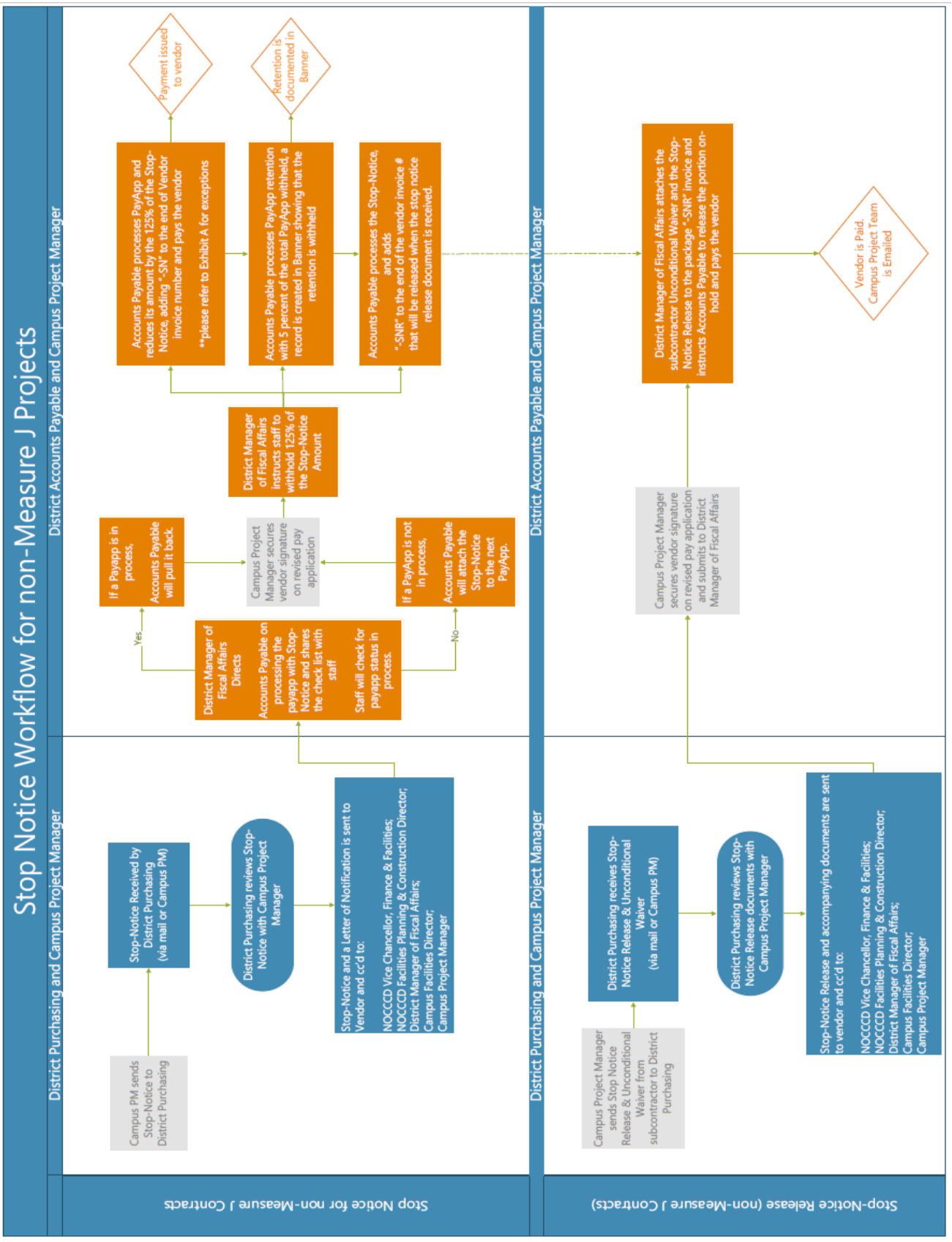
UNIFORM STOP NOTICE RELEASE PROCEDURE – NON-MEASURE J

1. The Campus Project Manager will send the stop-notice release and unconditional waiver from the subcontractor to District Purchasing.
2. District Purchasing will receive the stop-notice release and unconditional waiver via mail or from the Campus Project Manager.
3. District Purchasing will review the stop-notice release with the Campus Project Manager.
4. The stop-notice release and accompanying documents are sent to the vendor and copies are sent to the following parties:
   a. NOCCCD Vice Chancellor, Administrative Services.
   b. NOCCCD Facilities Planning & Construction Director.
   c. District Manager of Fiscal Affairs.
   d. Campus Facilities Director.
   e. Campus Project Manager.
5. The Campus Project Manager will secure the vendor's signature on a revised payment application and submit it to the District Manager of Fiscal Affairs.
6. The District Manager of Fiscal Affairs will attach the subcontractor unconditional waiver and the stop-notice release to the package and add "SNR" to the end of the document name.
7. Accounts Payable is instructed to release the portion that was previously placed on hold in a payment to the vendor.

EXHIBIT A: EXCEPTIONS TO THE STOP NOTICE PROCEDURE

1. Payments on a payment application will not be made until 125 percent of the stop-notice amount can be paid.
2. If the retention remains in Banner or in the joint escrow bank account when a stop- notice is received either of the following may apply:
   a. The normal stop notice procedure is followed when - 125% of the stop notice amount may be covered by the District's withheld amount or the escrow account amount.
   b. Legal Counsel is consulted or a step from the Letter of Notification is taken - when the District's withheld amount in Banner or funds in the escrow account are less than the stop-notice amount.


Stop Notice Workflow for Measure J Projects
District Purchasing and Campus Project Manager
MAAS and Campus Project Manager
District Accounts Payable
Campus Project Manager sends Stop-Notice to District Purchasing
District Purchasing receives Stop-Notice (via mail or Campus PM)
District Purchasing reviews Stop Notice with Campus Project Manager
Stop-Notice and a Letter of Notification is sent to Vendor and cc'd to:
NOCCCD Vice Chancellor, Finance & Facilities;
NOCCCD Facilities Planning & Construction Director;
District Manager of Fiscal Affairs;
Campus Facilities Director;
Campus Project Manager;
MAAS Bond Program Manager;
MAAS Finance Manager
Stop Notice for Measure J Contracts
MAAS Finance Manager will check for a pending PayApp
Yes
No
MAAS Finance Manager will contact Accounts Payable to pull back PayApp from the payment process
Campus Project Manager secures vendor signature on revised pay application
MAAS Finance Manager will attach Stop-Notice to next PayApp
MAAS Finance Manager will withhold 125% of the value of the Stop-Notice
And submit PayApp or Revised PayApp with Stop-Notice for Payment to Accounts Payable
Accounts Payable processes PayApp and reduces its amount by the 125% of the Stop-Notice, adding "-SN" to the end of Vendor invoice number and pays the vendor
**please refer to Exhibit A for exceptions
Payment issued to vendor
Accounts Payable processes PayApp retention with 5 percent of the total PayApp withheld
A record is created in Banner to show the retention is withheld
Retention is documented in Banner
Accounts Payable will process the Stop-Notice portion of the invoice, and add "-SNR" to the end of the vendor invoice number that will be released when the stop-notice release document is received.
District Purchasing and Campus Project Manager
MAAS and Campus Project Manager
District Accounts Payable
Campus Project Manager sends Stop-Notice Release & Unconditional Waiver from subcontractor to District Purchasing
District Purchasing receives Stop-Notice Release & Unconditional Waiver (via mail or Campus PM)
District Purchasing reviews Stop Notice Release documents with Campus Project Manager
Stop-Notice Release and accompanying documents sent to vendor and cc'd to:
NOCCCD Vice Chancellor, Finance & Facilities;
NOCCCD Facilities Planning & Construction Director;
District Manager of Fiscal Affairs;
Campus Facilities Director;
Campus Project Manager;
MAAS Bond Program Manager;
MAAS Finance Manager
Stop Notice Release for Measure J Contracts
Campus Project Manager secures vendor signature on revised pay application and submits to MAAS Finance and submits to District Manager of Fiscal Affairs
MAAS Finance Manager processes the Stop-Notice Release
District Manager of Fiscal Affairs instructs Accounts Payable to release the portion on-hold and pays the vendor
Vendor is Paid. Campus Project Team is Emailed


Stop Notice Workflow for non-Measure J Projects
District Purchasing and Campus Project Manager
District Accounts Payable and Campus Project Manager
Stop Notice for non-Measure J Contracts
Campus PM sends Stop-Notice to District Purchasing
Stop-Notice Received by District Purchasing (via mail or Campus PM)
District Purchasing reviews Stop-Notice with Campus Project Manager
Stop-Notice and a Letter of Notification is sent to Vendor and cc'd to:
NOCCCD Vice Chancellor, Finance & Facilities;
NOCCCD Facilities Planning & Construction Director;
District Manager of Fiscal Affairs;
Campus Facilities Director;
Campus Project Manager
District Manager of Fiscal Affairs Directs
Accounts Payable on processing the payapp with Stop-Notice and shares the check list with staff
Staff will check for payapp status in process.
Yes
If a Payapp is in process,
Accounts Payable will pull it back.
No
If a PayApp is not in process,
Accounts Payable will attach the Stop-Notice to the next PayApp.
Campus Project Manager secures vendor signature on revised pay application
District Manager of Fiscal Affairs instructs staff to withhold 125% of the Stop-Notice Amount
Accounts Payable processes PayApp and reduces its amount by the 125% of the Stop-Notice, adding "-SN" to the end of Vendor invoice number and pays the vendor
**please refer to Exhibit A for exceptions
Payment issued to vendor
Accounts Payable processes PayApp retention with 5 percent of the total PayApp withheld, a record is created in Banner showing that the retention is withheld
Retention is documented in Banner
Accounts Payable processes the Stop-Notice, and adds
"-SNR" to the end of the vendor invoice # that will be released when the stop notice release document is received.
Stop-Notice Release (non-Measure J Contracts)
District Purchasing and Campus Project Manager
District Accounts Payable and Campus Project Manager
Campus Project Manager sends Stop Notice Release & Unconditional Waiver from subcontractor to District Purchasing
District Purchasing receives Stop-Notice Release & Unconditional Waiver
(via mail or Campus PM)
District Purchasing reviews Stop-Notice Release documents with Campus Project Manager
Stop-Notice Release and accompanying documents are sent to vendor and cc'd to:
NOCCCD Vice Chancellor, Finance & Facilities;
NOCCCD Facilities Planning & Construction Director;
District Manager of Fiscal Affairs;
Campus Facilities Director;
Campus Project Manager
Campus Project Manager secures vendor signature on revised pay application and submits to District Manager of Fiscal Affairs
District Manager of Fiscal Affairs attaches the subcontractor Unconditional Waiver and the Stop-Notice Release to the package "-SNR" invoice and instructs Accounts Payable to release the portion on-hold and pays the vendor
Vendor is Paid. Campus Project Team is Emailed