Associated Students Incorporated
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Bidding Policy and Procedures
Approved per BD 63-20 | May 12, 2020

Purpose: The purpose of this policy is to establish a threshold dollar amount for purchasing products/services which will require Associated Students, Inc. (ASI) to enter into a formal bidding process. The Bidding Policy also is intended to delineate the philosophy behind the policy as well as standardize the procedures necessary to implement the policy.

Scope: This policy applies to all ASI personnel, positions, office holders and volunteers who expend ASI funds from either budgeted or program generated accounts in the name of the Associated Students, Inc. Specifically, excluded from this policy are organizations banking with ASI or organizations which are granted ASI funds outright and who subsequently transfer these funds to accounts outside of the ASI accounting system, e.g., Child Care Center, Student Loans, etc.

1. Threshold: The threshold dollar amount which will require that ASI enter into a formal bidding process is $25,000. A single item or service costing $24,999.99 or less will not require a formal bidding process.

2. Philosophy: The Bidding Policy is established to ensure that where high value items are concerned, ASI has an established set of guidelines for ensuring that fair and equitable procedures are followed in procuring the best quality item(s) for the dollar spent. The guiding principle for accepting a bid for products or services in excess of $25,000.00 is best value for the dollar. This means that while price is important, it is not the only factor, nor even the deciding factor, by which acceptance of a bid will be based. These factors include but are not limited to:

    a. Operational Costs
    b. Quality or technical competency of the bidder's product or service
    c. Delivery and implementation timetables
    d. Warranties, guarantees, and return policies
    e. Costs associated with financing provisions or alternatives
    f. Vendors past performance record with similar installations
    g. Risk assessment
    h. Grant/value or gift or donation

    The criteria to be used in the acceptance of a bid will be determined on a case-by-case basis. It must be clearly understood that ASI reserves the right to accept or reject any bid on any basis (or no basis) as it deems appropriate. Those items which fall between $15,000.00 and $24,999.99 are not exempt from the use of good judgment. In those cases where items are between $15,000.00 and $24,999.99, the individual responsible for the account is required to perform a price and product survey of a reasonable number of outlets which provide the product and to record the results. These results will be a part of the paperwork which accompany the requisition. ***It is absolutely prohibited for a purchase to be broken into separate components for the purpose of circumventing the Bidding Policy.***

3. Procedures

   a. Upon determining that an individual item or service will exceed the established limit of $24,999.99, the ASI Executive Director will place the item on the ASI Finance Committee agenda for approval. The ASI Finance Committee will examine the request to ensure that it conforms to fiscal policy, sufficiency of funds, and that it is reasonable. If the item is approved by the ASI Finance Committee, then the Chair of the ASI Finance Committee will place the item on the ASI Board of Directors (BoD) agenda as soon as practicable. There may be times when it is impossible for the ASI Finance Committee to agendize and discuss a request., e.g., during the summer break, or an emergency situation. Under these circumstances, the item may be placed on the Executive Committee's agenda for consideration.

   b. The ASI BoD will review all ASI Finance Committee requests for high-value items of $25,000.00 or more. Since the ASI BoD is the governing body of the corporation, final approval authority is reserved for the ASI BoD. The ASI BoD at their discretion may approve all, part, none or a modified version of the request.

   c. Upon ASI BoD approval of a request for a high-value item exceeding $25,000.00, the ASI Vice President, Finance will instruct the Finance Committee to oversee the bidding process as a Bidding Committee with the ASI Vice President, Finance acting as committee chair. A majority vote will decide all issues on the committee. The committee duties are as follows:

      1. With the assistance of the ASI Executive Director, establish appropriate specifications and criteria for selection. All bids will contain the deadline date, authorized method(s) of transmission and time for receiving a competitive bid.
      2. With the assistance of the ASI Executive Director, establish a list of prospective bidders and publish a Request for Proposal (RFP), Request for Quote (RFQ) or the appropriate vehicle with appropriate specifications and criteria. No requests will be published without the ASI Executive Director's approval as to form and content.
      3. Establish objective rating criteria to evaluate the bid conformity to the established specifications and criteria.
      4. Open the bids at the specified time. The ideal setting would be for the entire committee to be present; however, bids may be opened in the presence of two students, one of which must be a corporate officer, preferably the ASI Vice President, Finance. The ASI Executive Director will open and record the bids. In the absence of the ASI Executive Director, any of the corporate officers (ASI President, ASI Executive Vice President will open and record the bids All bids received within the published deadline will be placed in the ASI safe. Those bids received after the published deadline will be returned unopened to the prospective bidder.
      5. Select the winning bid. This is the most difficult part of the process and requires great care to ensure that all bids are given fair and equitable treatment in their consideration. A rating system showing each criteria for selection should be set up, and the bid rated against that criteria.
      6. The ASI Executive Director, will notify the winner and the unsuccessful bidders in writing of the committee's decision.
         Note: The duties of the committee listed above are not all inclusive, and may be more complex depending on the item and the cost.

   d. Unless specifically instructed otherwise by the ASI BoD, the Committee's decision will be implemented by the procuring organization and/or the ASI Executive Director.

4. Sole Source Procedures: It is conceivable that a sole source may be the best or only source available for a product or service. This may be due to the unique nature of the product or unforeseen legitimate time constraints which do not permit a complete bidding cycle. Sole source should only be used for good and sufficient reason. A request to purchase an item exceeding $25,000.00 through a sole source must be approved by the ASI BoD. The agenda item must contain language clearly indicating that the procuring organization requests a waiver of the Bidding Policy for sole source purchase. The ASI Finance Committee and/or the ASI BoD may approve the purchase of an item while disapproving the use of the sole source option at their discretion. If the sole source purchase option is denied by the ASI Finance Committee, the sole source part of the request may not be placed on the ASI BoD agenda. Reconsideration will not be authorized once the bidding process has started except as indicated in paragraph 4. The purpose of bidding as stated in paragraph 2 is to ensure that ASI gets the best value for its dollar when purchasing high value items. There will be times when the outcome of a bid might be relatively assured because there are too few bidders or the nature of the product. ASI organizations should be very careful about entering the bidding process in this scenario. To put out an RFP/RFQ knowing that a certain outlet will be selected is to render the bidding process a sham. Companies would spend their time, energy and resources in a wasted RFP/RFQ effort, and could leave ASI liable for legal action. Thorough research and factual data need to be compiled on every prospective bid and presented to the ASI Finance Board and the ASI BoD. If sole source is justified, then it should be requested.

5. Too few bids: It is conceivable that an RFP/RFQ will not generate the response anticipated, and/or those submitted are not responsive in pricing. In such a case, the bids will be submitted to the ASI Finance Board for review. The ASI Finance Board will decide whether or not the bids are acceptable. If they are, the bids will be submitted to the Bidding Committee for selection. If they are not, then a formal letter will be sent to each bidder informing them that the Request for Proposal is being withdrawn. For those periods when it is not practical to convene the ASI Finance Board, e.g., summer break, the ASI Executive Director is authorized to make this decision.

Approved: Per BD 069-94, 05-24-94
Revised: Per BD 139-99, 11-30-99
Revised: Per BD 070-02, 7-23-02
Revised: Per BD 63-20, 05-12-20