

# **Attachment 1: Proposed Regulatory Action: CollegeBuys Program for the Procurement of Goods and Services for Community College Districts**

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## **SUBCHAPTER 3.5, OF CHAPTER 10, OF DIVISION 6 OF TITLE 5 OF THE CALIFORNIA CODE OF REGULATIONS IS ADDED TO READ:**

### **Subchapter 3.5 CollegeBuys Program for the Procurement of Goods and Services for Community College Districts**

#### **§ 59130. Purpose.**

(a) This subchapter implements provisions of chapter 41 of the Public Contract Code, authorizing the Chancellor to enter into contracts for goods and services on behalf of a community college district or districts.

(b) The Chancellor's procurement contracts shall use the system-wide market power of the California Community Colleges to obtain goods and services at lower cost than individual districts could obtain through local procurement. Where appropriate, the Chancellor may utilize the life-cycle cost methodology described in Public Contract Code section 20651.7 in calculating the lowest cost for a good or service.

Note: Authority cited: Section 70901, Education Code; and Section 20661, Public Contract Code. Reference: Sections 20651.7 and 20661, Public Contract Code.

#### **§ 59131. Contracts for procurement of goods and services**

(a) Community college districts may obtain goods and services through a Chancellor's procurement contract without having to conduct independent local bidding processes, notwithstanding Section 20651 of the Public Contract Code. Procurement contracts under this section may be awarded to sole or multiple providers, where appropriate, and shall not exceed ten years in duration.

(b) In negotiating procurement contracts under this subchapter, the Chancellor or an auxiliary organization acting pursuant to Section 59132, shall require a vendor to certify that the goods or services provided pursuant to the contract shall carry the lowest cost available upon the same terms, conditions, and specifications. A community college district that has received a formal bid for a good or service may only utilize a Chancellor's procurement contract for that good or service if doing so would result in a lower price upon the same terms, conditions, and specifications.

(c) The Chancellor may not incur financial responsibility in connection with a procurement contract under this subchapter.

(d) The Chancellor may charge the provider of a good or service, the community college district, or both, a fee, commission, or charge in connection with a procurement contract.

(e) This subchapter does not limit community college districts' independent authority to conduct procurements under local procedures.

Note: Authority cited: Section 70901, Education Code; and Section 20661, Public Contract Code. Reference: Section 20661, Public Contract Code.

**§ 59132. Delegation of Authority**

(a) The Chancellor may, by agreement with an auxiliary organization as defined in section 72670.5 of the Education Code, delegate the authority to contract for goods and services for a community college district or districts.

(b) An auxiliary organization with delegated authority under subdivision (a) shall meet the following requirements:

(1) the auxiliary shall possess expertise and experience in the procurement of goods and services on behalf of educational or similar institutions;

(2) the auxiliary's procurement contracts shall serve the same purposes, meet the same requirements, and have the same effects as a Chancellor's procurement contract under this subchapter;

(3) the auxiliary's fees, commissions, or other charges shall be established by agreement with the Chancellor.

(c) The auxiliary is authorized to exercise the authority of the Chancellor as a public agency under section 20652 of the Public Contract Code to the extent authorized by this section and by agreement with the Chancellor.

Note: Authority cited: Section 70901, Education Code; and Section 20661, Public Contract Code. Reference: Sections 70901 and 72670.5, Education Code; and Sections 20652 and 20661, Public Contract Code.