

MAINE STATE LEGISLATURE

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OFFICE OF THE PRESIDENT
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January 30, 2015

The Honorable Michael D. Thibodeau, President
Maine State Senate
3 State House Station
Augusta, ME 04333-0002

Dear President Thibodeau:

I am pleased to submit on behalf of the Board of Trustees of the Maine Community College System (MCCS) the attached report on certain procurements, contribution and policy changes for the period July 1, 2013 through June 30, 2014 as required by 5 M.R.S.A. § 12023.

On November 28, 2012, the Trustees adopted revised and/or new policies and procedures in the six subject matters required by 5 M.R.S.A. § 12022. On February 1, 2013 MCCS reported those policies and procedures to the Legislature as required by 5 M.R.S.A. § 12023.

To report the information required by §12023, MCCS developed a customized reporting feature in the business management module of our information systems for each of the seven colleges and the System Office, and then fed that module with data from the purchase order, cash disbursements and credit card systems. There are thousands of purchases and expenditures across the state by the seven colleges, six centers and System Office every business day. While the task of reporting on these transactions is complex, our review indicates that the colleges' compliance with both new and previously existing policies is extremely high, and expenditures are consistently mission related. In those few areas where we have identified need for improvement, refinements are already under way. MCCS will continue to use its internal controls and annual outside audit to adapt its systems to changing needs, and our Board of Trustees will continue their own ongoing attention to these matters at their regular meetings.

If you have any questions, please do not hesitate to contact me. Thank you.

Sincerely yours,

John Fitzsimmons
President



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January 30, 2015

The Honorable Mark Eves, Speaker
Maine State House of Representatives
2 State House Station
Augusta, ME 04333-0002

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President

MCCS 5 M.R.S.A. §12023
Report for the Period
July 1, 2013 through June 30, 2014

A. Procurements over \$10,000 without Competitive Procurement

5 M.R.S.A. §12023 requires a report, for the period July 1, 2013 through June 30, 2014, of procurements over \$10,000 without competitive procurement under the MCCS policy adopted pursuant to 5 MRSA § 12022. The following transactions, or grouping of transactions, have been identified as sole sourced either because there was no known competitive procurement, or because the competitive procurement process took place sufficiently long ago to be deemed no longer valid.¹

Although our internal procurement recording system is transaction-based by college, college compliance with MCCS procedures has been substantial. In total, 44,200 transactions were reviewed and the procurements reported here account for 2.4% of the \$77.2 million in procurements made and reviewed during the reporting period. All such procurements are mission related. Explanatory notes accompany each reported item.

Note that several of the following items are listed even though their report may not have been required. These items involve the same dynamic. Sometimes a college will procure goods or services less than \$10,000 at a time when they do not know that they will later procure like goods or services from the same vendor at a later period. Because the procurements are below \$10,000, they do not require report. Nonetheless, in those instances where there were repeated transactions with the same vendor over a relatively short period of time, we elected for this filing to report the aggregate value of the transactions as a single "procurement." As noted below, one improvement we are already making is to try and better anticipate future procurements in such recurring areas and, when practicable, to make broader use of blanket Request for Proposal's (RFP) or other like efficient approaches.

TRANSACTIONS WHERE COMPETITIVE PROCUREMENT WAS WAIVED:²

CMCC

Alexander Supply Co Inc.	\$10,410
- Soft goods purchases for resale in the bookstore. Purchasing is competitive, but not technically compliant with the policy currently in place.	

¹ Note that payments to public utilities, municipalities or municipal subdivisions with monopolistic authority to deliver certain services (such as water, electricity, municipal transportation and sewer) are not reported as "sole source purchases" because competitive procurement is not feasible.

² No reportable procurements were identified for the System Office.

Apple Direct	\$23,920
- Computer purchases. The only way an institution can access the Apple Educational discount is to purchase the computers directly through Apple.	
Central Maine Conditioning Clinic	\$10,447
- Only provider in the area to provide athletic training, injury treatment and game trainer activities for home games. An RFP was issued in FY15 confirming as only provider.	
Central Distributors	\$30,115
- Soda purchase for re-sale in the cafeteria. Thirty-four transactions; three transactions over \$1,000. CMCC will issue an RFP for a blanket contract in FY15.	
CI Sport	\$21,685
- Soft goods purchases for resale in the bookstore. Purchasing is competitive, but not compliant with the policy currently in place.	
David Kempkie DBA Advanced Educational Technologies	\$67,352
- Lab Volt process control equipment meets the standards for the Electro Mechanical curriculum by simulating the industrial systems using the types of controls students will encounter in the field.	
Dube Gravel Co., Inc.	\$47,336
- Emergency excavation, assessment and rebuild of water pipe leak.	
Federal Distributors Inc	\$39,785
- Soft goods purchases for resale in the bookstore. Purchasing is competitive, but not compliant with the policy currently in place.	
Gear for Sports	\$15,481
- Soft goods purchases for resale in the bookstore. Purchasing is competitive, but not compliant with the policy currently in place.	
Hat World	\$15,417
- Team uniforms procured under sole source to ensure consistency in color. One transaction was \$12,007, nine others totaled \$3,410.	
Kelly Services, Inc.	\$20,030
- Temporary maintenance help. Only known local agency that could fill the specific positions needed at that time. CMCC will issue an RFP for a blanket contract in FY15.	

Laerdal Medical	\$14,694
- Virtual intravenous (“IV”) arm for health occupations instruction. Laerdal is the only manufacturer and supplier of the virtual IV system in the US.	
Nason Mechanical Systems	\$12,569
- Emergency repairs to replace cafeteria hot water tank.	
Pepsi Cola Co.	\$66,706
- Soda purchase for re-sale in the cafeteria. Eight-five transactions; twenty-one transactions over \$1,000. CMCC will issue an RFP for a blanket contract in FY15.	
Siemens Industry, Inc.	\$17,665
- Emergency repairs to and HVAC controller in Lapoint Building.	
Robert Simoneau	\$18,233
- Professional Services -- a grant writer with unique understanding of CMCC and the NSF grant he was engaged to prepare for the college grant application. (Note: Grant in the amount of \$400,000 was awarded)	
EMCC	
Bell / Simons Companies, Inc	\$10,584
- Lab Supplies for HVAC. Sixty-seven transactions; none over \$1,000. EMCC will issue an RFP for a blanket contract in FY15.	
Bonney Staffing	\$12,108
- Temporary office help for a variety of locations on campus. Twenty-four transactions; none over \$1,000. EMCC will issue an RFP for a blanket contract in FY15.	
F W Webb Company, Inc.	\$13,972
- Lab Supplies for HVAC. Fifty-eight transactions; none over \$1,000. EMCC will issue an RFP for a blanket contract in FY15.	
Hartt`s Electric Service Inc	\$17,956
- Emergency repair to power lines.	
Home Depot Credit Services	\$24,222
- Lab Supplies for HVAC. One hundred and eighteen transactions; none over \$1,000. EMCC will issue an RFP for a blanket contract in FY15.	
Maine Business Services	\$45,015
- Temporary maintenance help. Only known local agency that could fill the specific positions needed at that time. EMCC will issue an RFP for a blanket contract in FY15.	

- Maine Paper & Janitorial Products Inc. \$34,262
- Janitorial and housekeeping supply purchase for the Facilities Maintenance Department. Eighty-nine transactions; none over \$1,000. EMCC will issue an RFP for a blanket contract in FY15.
- NH Bragg \$45,747
- Welding/tool supply and safety equipment for instructional departments selected as most comprehensive and well stocked supply and educational discount in the local market. EMCC will issue an RFP for a blanket contract in FY15.
- North Center Food Services \$22,615
- Food purchases for Culinary Arts program. Twenty-four transactions; none over \$1,000. EMCC will issue an RFP for a blanket contract in FY15.
- Pine Tree Waste \$36,092
- Environmental waste management, called on an 'as needed basis'. Nineteen transactions; five over \$1,000. EMCC will issue an RFP for a blanket contract in FY15.
- Sam`s Club \$10,913
- Operational and educational supply purchase. Eighty-nine transactions; none over \$1,000. EMCC is in the process of issuing an RFP for a blanket contract for these products.
- Xpedx, Inc. \$10,908
- Janitorial purchase for the Facilities Maintenance Department. Eighteen transactions; none over \$1,000. EMCC will issue an RFP for a blanket contract in FY15.
- KVCC³
- Apple Computer Inc \$93,417
- Computer purchases. The only way an institution can access the Apple Educational discount is to purchase the computers directly through Apple.

³ In the report dated January 1, 2014 KVCC indicated that Atlantic Partners had been issued a contract without seeking bids. The State of Maine issued an RFP for those services and requires the colleges to use that company for national licensure testing. As such, Atlantic Partners has been removed from the list of companies where competitive procurement has been waived.

- Bonney Staffing \$ 45,340
- Temporary office help for a variety of locations on campus. Forty-one transactions; none over \$1,000. KVCC will issue an RFP for a blanket contract in FY15.
- Clearpath Innovations, INC \$11,230
- Bookstore Point of Sale System emergency programming when KVCC programmer resigned from the college.
- Consolidated Electrical Distributors, Inc \$22,497
- Electrical purchase for the Facilities Maintenance Department & Electrical Instruction Departments. Fifty-one transactions; six over \$1,000. KVCC will issue an RFP for a blanket contract in FY15.
- G C Hall, LLC \$ 71,832
- Temporary maintenance help. Not all temp agencies offer temporary employment for all the different types of positions. Forty-one transactions; sixteen over \$1,000. KVCC will issue an RFP for a blanket contract in FY15.
- Home Depot Credit Services \$12,921
- Supply and small tool purchase for Maintenance department and the Alford Campus. . Thirty transactions; two over \$1,000. KVCC will issue an RFP for a blanket contract in FY15.
- Josten's Inc \$12,942
- Graduation gowns, diplomas, announcements etc. procured under sole source to ensure consistency in color & quality. One transaction was \$5,918 nine others totaled \$7,024.
- Laerdal Medical Corporations \$26,086
- Equipment purchase for Simulation Lab. Laerdal is the only manufacturer and supplier of the virtual IV system in the US.
- Lawrence Adult Education \$22,099
- Contracted support with Lawrence High School for transitioning thirty-five special population students from the Adult Education Program to KVCC. Since the students were transitioning from the Fairfield Adult Education program Lawrence High School was uniquely qualified to support the transitioning of their students to KVCC.
- Maine Controls, Inc. \$22,325
- KVCC selected Andover Building Automation Controls through competitive procurement for door security control throughout the several years ago.

Maine Paper & Janitorial Products Inc.	\$24,872
- Janitorial and housekeeping supply purchase for the Facilities Maintenance Department. Fifty-one transactions; none over \$1,000. KVCC will issue an RFP for a blanket contract in FY15.	
Maine Rural Partners	\$29,828
- Professional service provider specified in a grant to KVCC.	
Nicholas Massa	\$14,643
- Evaluator for NSF Energy Services grant. Only qualified vendor to do this particular type of grant evaluation.	
Jeffrey McGrath, Jr.	\$10,867
- Campus café providing catering purchase. Forty-four transactions; two over \$1,000. KVCC has issued an RFP for a blanket contract in FY16.	
Mechanical Services, Inc.	\$17,925
- Security and door controls to expand existing Security System for Alford campus buildings.	
Statewide Aquastore, Inc.	\$40,510
- Only company known to be capable of providing cleaning services for large-scale water tank systems. Note: The KVCC water tank is a 199,000 gallon tower styled water closet.	
Technical Education Products, Inc.	\$19,995
- Transformer Trainer System for Electrical Lab. Exclusive dealer in New England dealing with equipment already used in the lab.	
Titan Mechanical	\$ 16,004
- Miscellaneous minor repairs to HVAC system. Twenty-four transactions, three over \$1,000. KVCC will issue an RFP for a blanket contract in FY15.	
Vernier Software & Technology	\$11,430
- Proprietary software for AG Science grant.	
W D Matthews Machine Co Inc	\$16,500
- Acquired a used forklift for maintenance department. Sole source done with an independent appraisal.	
NMCC	
Heidi Carter/Franklin Printing/Print works	\$46,852
- Design and printing services for college marketing materials chosen for quality of services.	

City of Presque Isle	\$84,584
- Rent for the Alternative Energy Laboratory in a facility immediately proximate to the college.	
Consolidated Electrical Distributors, Inc.	\$16,420
- Electrical supplies for maintenance department and electrical program on an as need basis.	
Gear for Sports	\$18,956
- Soft goods purchases for resale in the bookstore. Purchasing is competitive, but not technically compliant with the policy currently in place.	
P & E Distributors	\$24,053
- Janitorial supply purchase for the Facilities Maintenance Department. One hundred and eleven transactions; two over \$1,000. NMCC will issue an RFP for a blanket contract in FY15.	
Rathbun Lumber Company	\$13,101
- Building materials, hardware, and lumber purchase maintenance department and residential construction program. Two hundred and five transactions; none over \$1,000. NMCC will issue an RFP for a blanket contract in FY15.	
Redlon & Johnson Supply	\$13,706
- Plumbing and hardware supplies purchased for the maintenance department and the plumbing and heating program. One hundred and twenty seven transactions; none over \$1,000. NMCC will issue an RFP for a blanket contract in FY15.	
SMCC ⁴	
Apple Direct	\$ 36,514
- Computer purchases. The only way an institution can access the Apple Educational discount is to purchase the computers directly through Apple.	
Cumberland County Civic Center	\$11,650
- The college needs an indoor facility to host its graduation ceremony. The Cumberland County Civic Center is the only venue in the area large enough to host this event.	

⁴ In the report dated January 1, 2014 SMCC indicated that Midcoast Regional Redevelopment Authority (MRRA) had delivered services without seeking bids. MRRA is providing municipal services that are not reported as "sole source purchases" because competitive procurement is not feasible.

Portland Pottery, Inc. \$15,722

- This venue was selected by the faculty of the campus to host pottery courses. It was selected primarily on its close location to the South Portland campus.

WCCC

Calais Shop and Save \$12,590

- Food and supplies purchased for multiple departments. Thirty-six transactions; 2 over \$1,000. WCCC will issue an RFP for a blanket contract in FY15.

Ellsworth Builders Supply Inc \$12,512

- Building materials purchase for maintenance department and instructional programs. Fifty-one transactions; one over \$1,000. WCCC will issue an RFP for a blanket contract in FY15.

Johnson`s True Value \$16,926

- Building materials & hardware, purchase for the maintenance department and instructional programs. Ninety-seven transactions; two over \$1,000. WCCC will issue an RFP for a blanket contract in FY15.

Maine Paper & Janitorial Products Inc \$11,610

- Janitorial and housekeeping supply purchase for the Facilities Maintenance Department. Twenty transactions; ten over \$1,000. WCCC issued an RFP for a blanket contract in FY15.

NAPA \$15,850

- Auto supply purchase for multiple departments. One hundred and fourteen transactions; none over \$1,000. WCCC will issue an RFP for a blanket contract in FY15.

North Center Foodservice \$41,939

- Food purchases for Riverview Dining Hall. Forty-two transactions; 18 over \$1,000. WCCC has issued an RFP for a blanket contract in FY15.

Pepsi-Cola Company \$12,246

- Soda purchase for re-sale in the cafeteria. Twenty-one transactions; one over \$1,000. WCCC will issue an RFP for a blanket contract in FY15.

Riverside Electric Inc. \$12,567

- Purchases from this vendor an RFP expired in April 2013. Purchases were alternated between two vendors in town projects less than \$1k. This was part of a project to establish a base for potential RFP. WCCC has issued an RFP for a blanket contract in FY15.

V.L. Tammaro Oil Co, Inc.	\$11,640
- Emergency repair of chimneystacks \$2,733 and fuel purchases \$8,907. Fifteen transactions; two over \$1,000. WCCC has issued an RFP for a blanket contract in FY15.	
Wesco Dist., Inc.	\$12,011
- Electrical purchase for instruction departments. Twenty-three transactions; three over \$1,000. WCCC will issue an RFP for a blanket contract in FY15.	
Mary Williams	\$18,750
- Elderhostel Program expenses selected from a vendor list specified by Elderhostel Inc.	
YCCC	
AmSan	\$11,789
- Janitorial and housekeeping supply purchase for the Facilities Maintenance Department. Fifty-six transactions; one over \$1,000. YCCC now purchases these supplies under a State of Maine contract.	
Foster Family Acquisitions, LLC	\$33,012
- Creative design and printing associated with promotional needs due to the quality of services. YCCC will issue an RFP for a blanket contract in FY15.	
Nonantum Resort	\$10,044
- Entrepreneur event held off campus that met the college's specific local needs. YCCC has issued an RFP for a contract in FY15.	
Springborn Staffing the Office Specialists	\$16,594
- Temporary office help for a variety of locations on campus. Twenty-five transactions, none over \$1,000. YCCC has issued an RFP for a blanket contract in FY15.	

B. "Contributions" Greater than \$1,000

5 M.R.S.A. §12023 requires a report, for the period July 1, 2013 through June 30, 2014, of contributions greater than \$1,000. Under 5 MRSA § 12022, "contributions" means payments for "membership dues and fees, gifts, donations and sponsorships." College compliance with the MCCS contributions procedure has been substantial. MCCS has no donations, no gifts to report, and only two sponsorships to report.

Because of the educational and administrative expertise required by the nearly 300 academic programs offered by the seven colleges, there are 43 memberships to report.

All of the following expenditures were mission related and, except for the two sponsorships noted, were payments for memberships.

CMCC

American Association of Community Colleges	\$3,440
Androscoggin Chamber of Commerce	\$1,500
Council for Opportunity in Education	\$2,606
National League of Nursing	\$1,915
New England Association of Schools and Colleges	\$11,235
United States Collegiate Athletic Association	\$4,375
Yankee Small College Conference	\$2,025

EMCC

American Association of Community Colleges	\$2,646
American Council on Education	\$1,608
New England Association of Schools and Colleges	\$11,235
United States Collegiate Athletic Association	\$4,500
Yankee Small College Conference	\$2,025

KVCC

American Association of Community Colleges	\$3,490
Council for Opportunity In Ed Institute	\$3,168
National Association of Student Financial Aid Administrators	\$1,203
National League of Nursing	\$1,130
New England Association of Schools and Colleges	\$8,990

NMCC

Council for Opportunity in Education	\$2,868
National League for Nursing	\$1,130
New England Association of Schools and Colleges	\$8,990
Northern Maine Development Commission	\$2,500
Presque Isle Hockey League	\$2,450

Survivor Aroostook Sponsorship ⁵	\$2,500
US Collegiate Athletic Association	\$4,500
Yankee Small College Conference	\$2,025

SMCC

American Association of Community Colleges	\$6,694
Curtis Memorial Library Membership for Midcoast Students ⁶	\$6,500
Maine Campus Compact	\$6,150
Maine Higher Ed. Council	\$1,231
National Association of Student Financial Aid Administrators	\$1,477
National Association of Student Personnel Administrators	\$1,185
National League For Nursing	\$2,175
New England Association of Schools and Colleges	\$15,730
Pine Tree Admissions Consortium	\$1,600
US College Athletic Association	\$4,500
Yankee Small College Conference	\$2,025

WCCC

American Association of Community Colleges	\$1,986
Council for Opportunity in Education	\$2,868
New England Association of Schools and Colleges	\$7,025
St. Croix Valley Chamber of Commerce ⁷	\$2,000

YCCC

American Association of Community Colleges	\$2,646
New England Association of Schools and Colleges	\$8,990

System Office/System-Wide

National Association of College and University Business Officers	\$1,630
National Association of College and University Attorneys	\$1,730

⁵ Sponsorship of a local event generating valuable marketing opportunity.

⁶ Membership for SMCC's Midcoast Campus students because that Campus does not have a staffed library.

⁷ Sponsorship of a local event generating valuable marketing opportunity.

C. Description of Policy and Procedure Changes

Finally, 5 M.R.S.A. §12023 requires a report of the description of changes, made in the period July 1, 2013 through June 30, 2014, to MCCA policies and procedures required by 5 M.R.S.A. §12022, or used by MCCA to monitor compliance with such policies and procedures.

1. MCCA has not issued any policy or procedure changes that have not already been reported.