Procurement Policy

An [Ordinance/Resolution] of [Entity Name] prescribing the manner [Entity Name] shall procure goods and services.

General Provisions

1. Purchasing Agent Designated. [Enter title of purchasing agent] is hereby appointed and designated as the [entity name] purchasing agent. The Purchasing Agent may from time to time appoint another person to undertake all or some of the duties of the Purchasing Agent set forth herein or appointed to him.
2. Authority to Enter into and Execute Contracts. All contracts are to be approved by the [Governing Body]. No department, office, advisory or policy board or other organization of [Entity], nor any officer or employee thereof, shall be empowered to execute any purchase order or contract except as specifically authorized in this [ordinance/resolution] or by other applicable law. All contracts in violation of this provision are considered void and may result in the personal obligation and liability of persons at fault for such violations.
3. Conflict of Interests Prohibited. No officer, employee, agent, representative or member of any committee of the [Entity Type] shall have a financial interest in any contract, bid, or proposal; receive any compensation or gift from any bidder or proposer; or have any other conflict of interest (See Utah Code 67-16 and 17-16a).
4. Competitive Procurement. Unless exempted by this policy, all purchases and contracts shall be awarded on a competitive basis, as required by this [Ordinance/Resolution] and applicable State and Federal law.
5. Participation in State Procurement Unit Agreement and Contracts. Pursuant to Utah Code 63G-6a-2105, [Entity Name] may make purchases from or participate in state public procurement unit agreements and contracts, pursuant to the terms of said agreements and contracts without soliciting additional procurement options.
6. Unethical Purchasing Practices. Failure of any agent, officer or employee to comply with ethical purchasing requirements may result in suspension, termination, being personally liable for the purchase and/or criminal prosecution. All agents, officers and employees engaged in the procurement process for [entity name] will maintain high ethical behavior in agreement with Utah Code 67-16, Utah Public Officers’ and Employees’ Ethics Act and avoid the following practices:
	1. Dividing a procurement to avoid following policy (see Utah Code 63G-6a-2404.3)
	2. Kickbacks and Gratuities (see Utah Code 63G-6a-2404, 67-16-5 through 67-16-6)
	3. Failure to Disclose conflicts (see Utah Code 63G-6a-1205 & 67-16-9)
	4. Cost-plus-a-percentage-of-cost contracts (see Utah Code 63G-6a-1205)
7. [Entity Name] purchases are not subject to sales tax. For vendors requiring documentation of tax exempt status, a TC-712G Exemption Certificate for Governments and Schools may be obtained from the [Purchasing Agent, Purchasing Agent contact information].
8. When a procurement involves the expenditure of State or Federal funds, [Entity Name] shall comply with the applicable State and Federal laws and regulations.

Authorization Requirements for Purchases

1. Purchases up to [Enter amount/$1,000]. All procurements of services and goods in an amount less than [Enter amount/$1,000] may be approved by the [Department Head/Supervisor], provided such procurements have been budgeted for within the department and are in line with the budgeted purposes and responsibilities of said department.
2. Purchases over [Enter amount/$1,000]. All procurements of services and goods in an amount over [Enter amount/$1,000] must have a purchase order approved by the [Department Head/Supervisor], Purchasing Agent and [Governing Body] prior to initiating the purchase. Descriptions of items or services will use sufficient and descriptive terminology to allow the reviewer to understand what is being purchased and why, part numbers by themselves are not sufficient.
3. Purchases over [Enter amount/$5,000]. All procurements of services and goods in an amount over [Enter amount/$5,000] must have a purchase order approved by the [Department Head/Supervisor], Purchasing Agent and [Governing Body]. Documentation of the solicitation of three quotes or reference to the exemption of those requirements must be attached. (See telephone quote sheet at the end of this policy).
4. Purchases over [Enter amount/$15,000]. All procurements of services and goods in an amount over [Enter amount/$15,000] must be put out for competitive bid to be prepared and approved by the [Department Head/Supervisor], Purchasing Agent and [Governing Body] (See section of Competitive Bids for requirements). Purchases over [Enter amount/$15,000] require a written contract to be approved in an open meeting.
5. Avoidance of approval and written contract requirements. Purchases shall not be divided into smaller purchases for the purpose of evading the approval process required by this policy, or for the purpose of avoiding the need to obtain a written contract.
6. Competitive Sealed Bids – When Required
	1. All procurements of goods which are reasonably anticipated to exceed [Enter amount/$15,000] shall be obtained by competitive sealed bidding. The [Governing Body] may also require competitive sealed bidding for the procurement of goods and services for any amount.
	2. In the event that bids exceed available funds and the lowest responsive and responsible bid does not exceed funds available by more than [Enter percentage/five] percent, the Board may, where time or economic considerations preclude re-solicitation of work of a reduced scope, negotiate an adjustment of the bid price, including changes in the bid requirements, with the lowest responsive and responsible bidder, in order to bring the bid within the amount of available funds.
	3. Content of Invitation for Bids. An invitation for bids shall:
	4. State that the [Entity Name] is seeking bids for a procurement;
	5. Contain information on how to contact the person with the most knowledge about the procurement;
	6. State the period of time during which bids will be accepted;
	7. Describe the manner in which a bid shall be submitted;
	8. State the address at which a bid may be submitted, and the person to whom the bid should be submitted;
	9. Describe the goods or services sought to be procured;
	10. List or refer to the objective criteria that will be used to evaluate the bids.
	11. To the extent possible, include or reference significant contractual terms and conditions.
	12. State the date, time and place for the public opening of all bids.
	13. An invitation to bid may require attendance at a pre-bid meeting for the purpose of obtaining additional information relevant to the bid. The invitation shall list the time, date and place of any pre-bid meeting that will take place.
	14. An invitation to bid may require that a bidder obtain additional specifications and objective criteria too lengthy to publish in the invitation for bids.  The invitation to bid shall indicate where such information may be obtained.
	15. All invitations for sealed bids shall be published at least [Enter number of times published/once] in a newspaper of general circulation at least [Enter number of days/15] days prior to the deadline for submission of a bid.
	16. All sealed bids shall be opened by the [Enter Title] or designated representative in an open public meeting, before one or more witnesses, at the time and place indicated in the invitation for bids. The name of the bidder and the amount of each bid shall be recorded and made available to the public. Bids shall not be accepted after the time for submission of a bid has expired.
	17. The [Governing Body] shall reject bids from further evaluation that are: incomplete, illegible, conditional, modify bid requirements, contain additional terms or conditions, divide bid into parts, failed to attend required pre-bid meetings, fail to confirm requirements or specifications, the bidder has a pending dispute with the [entity name] on a previous project or where the [governing body] reasonably concludes that the bidder is unable to satisfactorily fulfill the bid requirements or has engaged in unlawful or unethical conduct in attempting to secure the bid. Any bidder whose bid has been rejected may obtain from the [governing body/purchasing agent] a written finding stating the specific reason the bid was rejected.
	18. The [Governing Body] shall award the bid/contract to the lowest qualified bidder or the bidder who best satisfies the objective criteria described in the invitation for bids which may include: Experience, performance ratings, inspection of workmanship, suitability, quality, likely compatibility with existing assets or practices, availability, warrantee, references, licensure, proximity or other criteria reasonably specified in the invitation to bid.
	19. Tied bids may be resolved using any reasonable criteria and at the sole discretion of the [governing body].
	20. [Entity Name] may cancel the bid process or reject all bids in whole or in part if it determines that; no bids met bid requirements, there are insufficient funds, the item is no longer needed or the specifications or timing does not meet [entity name]’s current needs or long term plans. In the event of a bid cancelation the [governing body] shall publicly state the reason for the cancellation and make that information available for public inspection.
	21. Exemptions from competitive bid requirements may include the following: Sole source providers, service contracts with professionals or specialists, emergency purchases. The [Purchasing Agent] shall sufficiently document the reason for not competitively bidding the procurement and have it approved by the [governing body].
	22. Protests to the bidding process shall be submitted to the [Purchasing Agent] in writing within [enter timeframe/5] days. The [Purchasing Agent] will respond to the protest within [enter timeframe/5] days of receiving the complaint. The [Purchasing Agent]’s decision may be appealed to the [governing body] in writing within [enter timeframe\5] days. The [governing body] may address the appeal at its next regularly scheduled meeting or hold a special meeting to evaluate the merits of the protest appeal.

**QUOTE SHEET**

Product or Service Requested: (Include specific project requirements such as required completion date etc.)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 **Vendor #1:**

Company Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Person Contacted: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date Contacted: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Method of Contact: □ Phone □ E-mail □ In-person □ Other:

Contact Information: Phone: \_\_\_\_\_\_\_\_\_\_\_\_\_\_ Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Amount Quoted: (Or attach vendor’s written proposal or bid) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Vendor #2:**

Company Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Person Contacted: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date Contacted: \_\_\_\_\_\_\_\_\_\_\_\_\_

Method of Contact: □ Phone □ E-mail □ In-person □ Other:

Contact Information: Phone: \_\_\_\_\_\_\_\_\_\_\_\_\_\_ Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Amount Quoted: (Or attach vendor’s written proposal or bid) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Vendor #3:**

Company Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Person Contacted: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date Contacted: \_\_\_\_\_\_\_\_\_\_\_\_\_

Method of Contact: □ Phone □ E-mail □ In-person □ Other:

Contact Information: Phone: \_\_\_\_\_\_\_\_\_\_\_\_\_\_ Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Amount Quoted: (Or attach vendor’s written proposal or bid) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Other Items to be considered that may be found in purchasing policies:

* Requirement for W-9’s to be submitted for all new vendors
* Exempting Payroll, and Utilities from purchase order requirements
* Allowing Purchasing Agent authority to modify PO’s up to a percentage for freight or other unforeseeable items.
* Allowance for preference of local vendors (this is not allowed when expending Federal Funds.
* Requirement for contracts to be reviewed and approved by the County Attorney
* Disposition of Surplus Property
* Records retention for bid documentation
* Anti-collusive bidding