

# STANSBURY SERVICE AGENCY PURCHASING POLICY

## Authority to Purchase

The Board of Trustees shall approve all expenditures of the Service Agency according to the provisions provided in this policy. The Board of Trustees shall authorize a Purchasing Agent for the Service Agency. No individual may make purchases on behalf of the Service Agency unless they have been duly authorized by the Purchasing Agent to do so. No purchase or change order greater than \$5,000 may be made or agreed to without obtaining prior approval from the Board of Trustees. Change orders in excess of \$2,500 and less than \$5,000 must be approved by the trustee over the budget line item involved.

## Routine Expenditures

The Purchasing Agent shall have authority to make routine purchases for items such as payroll checks, if the checks are prepared in accordance with a schedule approved by the Board, and routine expenditures, such as utility bills, payroll-related expenses, supplies and materials, etc., necessary for the daily operation of the Agency. All expenditures made by the Purchasing Agent will be reviewed and approved by the Board of Trustees subsequent to the purchases, at regular Service Agency board meetings.

## Prior Authorization

Prior authorization by the Board of Trustees is required for all purchases that exceed \$5,000 and for all purchases not considered payroll or routine as noted above.

## Purchasing Procedure

No purchase may be artificially divided to circumvent the procedures noted below:

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Purchases up to \$1,000 - The Purchasing Agent may select the best source without seeking competitive quotes.

Purchases from \$1,001 - \$5,000 - The Purchasing Agent shall obtain price quotes or bids from at least two vendors. Before seeking quotes or bids, the Purchasing Agent shall prepare a written product list or scope of service for use in the bidding process. Price quotes and bids must be obtained from a representative of an established, viable vendor who is properly insured and licensed to complete the work or provide the requested products.

Purchases from \$5,001 - \$50,000 - The Purchasing Agent must obtain written price quotes or bids from at least three vendors. Before seeking quotes or bids, the Purchasing Agent shall prepare a written product list or scope of service for use in the bidding process. Price quotes and bids must be obtained from a representative of an established, viable vendor who is properly insured and licensed to complete the work or provide the requested products.

Purchases great than \$50,000 - Purchases greater than \$50,000 are subject to competitive sealed bidding. The Purchasing Agent may contact potential vendors and request that they submit a bid; however, a request for bids shall also be publicly advertised in at least one newspaper of general circulation in the area. Before seeking quotes, the Purchasing Agent shall prepare a written product list or scope of service for use in the bidding process. Price quotes and bids must be obtained from a representative of an established, viable vendor who is properly insured and licensed to complete the work or provide the requested products. All vendors bidding at this level must be prequalified.

#### Sole Source Procurement

If at least two quotes cannot be obtained, the purchase is considered a sole-source purchase. Sole-source purchases require Board of Trustees approval if over \$5,000 and, if the service is ongoing, the service contract must be re-approved by the Board annually.

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#### Nepotism

The Purchasing Agent may not procure products or service from any vendor with which he/she or the Board of Trustees has any financial or other interest without revealing that interest beforehand and receiving Board approval.

#### Charge Accounts

As necessary for the operation of the Service Agency, the Purchasing Agent may establish charge accounts with individual vendors. Only individuals authorized by the Purchasing Agent may use open charge accounts. All open charge accounts must be reviewed and pre-approved by the Board of Trustees annually.

#### Emergency Purchases

An emergency condition is a situation which creates a threat to public health, welfare, or safety by reason of natural disaster, epidemics, riots, equipment failure, or other reasons as defined by the Board of Trustees. The existence of such a condition may create an immediate need for supplies and services that cannot be met through normal procurement procedures.

Emergency procurement shall be limited to only those supplies and services needed to meet the emergency at hand.

When an emergency arises, the purchaser should attempt to use approved procurement practices where practical; however, competitive procurement procedures may be omitted if necessary. The person responsible for making an emergency procurement shall create a written determination stating the basis for the emergency procurement and the reason for selecting the particular vendor that is used.

#### Acceptance of Proposals

Award of contract must be made to the established, viable vendor submitting the lowest quote or bid, meeting the minimum reasonable specifications and delivery date. In an effort to support the local economy, Tooele County

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vendors may receive preferential treatment. A Tooele County vendor's quote or bid may be accepted over the low bid if their bid is within 3% of the lowest bid submitted. The Tooele County vendor must be established, viable and properly insured and licensed to complete the work or provide the requested products.

#### Non-Compliance and Appeals

Individuals who do not comply with the provisions of this policy may be subject to withdrawal of purchasing authority. Appeals will be handled by the Board of Trustees.

Adopted by majority vote of the Stansbury Service Agency Board of Trustees.

Date: January 10, 2018

Signed: \_\_\_\_\_  
Chairman

