



PURCHASING QUICK REFERENCE GUIDE

Dollar Amount	Process	Approval Required
\$0 – \$10,000	No Competition	Director/Manager
\$10,001 - \$25,000	Informal Quotes	Director/Manager
\$25,001 - \$50,000	Informal Quotes	Division Chief
\$50,001 - \$750,000	Formal Quote, RFP/BID	Division Chief
\$750,001 and over	Formal Quote, RFP/BID	Board approval

SIMPLE PROCUREMENT - Goods

Check with Purchasing for contract pricing prior to placing orders.

Outlined below are the procedures to be used by Purchasing and Budget Authority within their delegated authority.

Purchases where the estimated total cost of the materials, equipment, and/or supplies is less than \$50,000 shall be handled as follows:

Purchases from \$0-\$10,000 (Grant funded purchases less than \$3,500) - Purchases where the estimated total cost of the goods is less than \$10,000 may be sent directly to the vendor by Purchasing or the Budget Authority after purchase order number assignment. **Purchasing Cards may be utilized for purchases less than \$2,500, with the exception of equipment, in which case, they can be used up to \$500.**

INTERMEDIATE PROCUREMENT - Goods

Purchases from \$10,000-\$50,000 (Grant funded purchases between \$3,500 and \$50,000) - Purchases where the estimated total cost of the goods is greater than \$10,000, but less than \$50,000, **must** be approved by the Manager or Director and from \$25,000 - \$50,000, will also require Division Chief's approval. The Budget Authority can obtain, or work with the Buyer, to solicit a minimum of **three (3)** competitive written quotes. Purchasing lead time is approximately 10 work days.

CONTRACTS FOR SERVICES

Competitive requirements for purchases of services are the same as outlined above for goods. Awards exceeding \$50,000 require Formal Purchasing Method (see reverse) and Director of Materials Management or designee approval.

Budget Authorities are not authorized to sign vendor contracts and agreements, without review from Purchasing or Legal, although the Director of Materials Management may delegate specific authority to sign standard contracts pre-approved by Legal.

The Buyer and/or Budget Holder, in coordination with the Legal Department, will determine if the individual services are classified as consultant services or an employer/employee relationship.

Contracts for Services must be approved by the Director of Materials Management or designee in cooperation with Legal and shall follow the procedures outlined in the **Contract Routing Form**. The day to day administration of the contract is the responsibility of the Budget Authority (Project Manager), with guidance and assistance from Purchasing.

Professional Services are services provided by those who possess a high degree of professional or specialized skill such as accountants, public finance specialists, architects, engineers and attorneys. Examples may also include: management consulting services, feasibility studies, software programming, etc. The Director of Materials Management **may** exempt contracts for professional services from competitive requirements. Competitive negotiation (see reverse) is the **preferred** procedure for contracting professional services.

FOLLOWING ARE FORMAL PURCHASING METHODS FOR PURCHASES EXCEEDING \$50,000 (or Grant funded purchases over \$3,500).

COMPETITIVE SEALED BIDDING

Purchases where the estimated total cost of the materials, equipment, supplies and/or nonprofessional services exceeds \$50,000 shall be facilitated by Purchasing through sealed competitive bidding. Purchasing will solicit sealed competitive bids from qualified sources. After the bid opening and award decision, when appropriate, a notice of intent to award may be made. Purchases greater than \$750,000 require Board approval. The administrative lead-time is approximately thirty (30) to forty-five (45) work days prior to the presentation to the Board for approval.

REQUEST FOR PROPOSALS (RFP's)

Upon advance determination that competitive sealed bidding is either not practical, or not fiscally advantageous to the District, the formal competitive negotiation process may be used by Purchasing, i.e., the issuance of a Request for Proposal, herein referred to as "RFP". Purchasing shall solicit sealed competitive proposals from

qualified sources. Proposals shall be evaluated by a selection committee in accordance with previously established evaluation criteria.

After the completion of evaluations and negotiations, a notice of intent to award may be made. The RFP process is only to be used in those cases where it is either impossible or impractical to accurately and fully describe or define the desired goods/services. The Director of Materials Management or Designee shall make the final decision to use this process and shall form a committee to objectively evaluate each proposal received in accordance with established procedures. Purchases greater than \$750,000 require Board approval. The administrative lead time is approximately sixty (60) to one hundred twenty (120) work days.

PROCESS FOR FORMAL PURCHASING METHODS

Purchasing shall work with Budget Authorities to issue all IFB/RFP's to prospective vendors and shall make available IFB/RFP's forms and, where applicable, blueprints, plans and specifications. All questions regarding IFB or RFP's should be directed through the Director of Materials Management or designee.

Pre-proposal conferences may be held between the District and the prospective bidders. This conference will be organized and directed by the Director of Materials Management or designee. The purpose of the pre-proposal conference is to clarify any questions the prospective bidders may have regarding the IFB/RFP. Pre-proposal conference requirements should be included in the IFB/RFP documents.

SOLE SOURCE PURCHASES

When the Budget Authority determines that only one (1) source exists for a specific good or service with an estimated dollar value greater than \$10,000, a signed statement to that effect, supported by factual data, must be submitted to Purchasing. Upon review of all factual information, the Director of Materials Management or designee will approve or disapprove the purchase as a sole source purchase. It is the responsibility of Purchasing to work with the Budget Authority to negotiate a contract with the vendor that is in the best interest of the District; ensuring that the prices for such goods and/or services are fair and reasonable.

EMERGENCY PURCHASE

An emergency may arise in order to protect personal safety, life or property, i.e., an occurrence of a serious, urgent and threatening nature that demands immediate action to avoid termination of essential services or a dangerous condition. The Director of Materials Management or designee must be contacted for approval. An emergency purchase requisition and written explanation of the emergency must be submitted by the Budget Authority to Purchasing prior to creating an obligation. The Director of Materials Management or designee will approve or disapprove the purchase as an emergency procurement. The approved written determination shall become part of the procurement file. For purchases with a total cost in excess of \$750,000, a written notice stating the contract is being awarded, or has been awarded on an emergency basis must be provided to the Board. The potential loss of year-end funds, and/or poor planning, are not considered adequate justification for an emergency purchase and will not be approved as such.

EXCEPTIONS TO COMPETITIVE PROCESS (Grant funded purchases are not exempt)

The Director of Materials Management or designee may procure goods or services under the following circumstances without a formal purchasing method or competitive process:

- a) Purchases with a total estimated cost less than \$50,000. (The splitting of a known requirement for the like items into two or more individual purchases with the intention of circumventing the bid requirements is strictly prohibited.)
- b) Professional Services
- c) Instructional materials and services
- d) Standardization or required compatibility to existing system
- e) Cooperatively bid
- f) Insurance related
- g) Perishable
- h) Product is for resale
- i) Sole Source
- j) Surplus Property
- k) Advertising
- l) Conferences, travel, speakers and registrations
- m) Software and software subscriptions
- n) Utilities
- o) Emergency Purchase

***DELEGATION AND APPROVALS**

Contracts over \$750,000 require Board approval. (Unless prior approval has been given through the adoption of the annual budget.)