

Title: **Procurement**

Effective Date: 8/8/17

References: Utah Code Ann. §63G-6a, Utah Procurement Code
Utah Administrative Code, Rule 33-4, General Procurement Provisions,
Pre-qualifications, Specifications, and Small Purchases

Purpose

This policy is to establish requirements and guidelines for purchases and expenditures.

Policy

1. **General.** IEA adopts the Utah State Procurement Code as may be amended from time to time as its purchasing policy. The Procurement Code addresses items such as:
 - a. **Small Purchases**, with various thresholds limiting amounts that can be expended in a single, aggregate and annual transaction(s) from a single vendor without a bidding or RFP process;
 - b. **Professional services**, with purchasing requirements dependent on the cost of services;
 - c. **Small construction projects**, with purchasing requirements dependent on the cost of services;
 - d. **Artificially Dividing a Purchase**, making it unlawful to intentionally divide a procurement purchase into one or more smaller purchases to divide an invoice or purchase order into two or more invoices or purchase orders, or to make smaller purchases over a period of time.
 - e. **Sole Source** procurement.
 - f. **Hospitality Gifts, Gratuities, Kickbacks, or Position and Influence**
2. **Purchases Less Than \$50,000.** Purchases under \$50,000 that are not subject to a RFP, RFQ or other formal solicitation process shall be initiated as follows. All procedures established by IEA Administration for the review, authorization, approval and submission of purchases and expenditures shall also apply. If the total purchase is between:

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| a. \$0 - \$1,000 | The purchaser may select the best source without seeking competitive quotes. |
| b. \$1,001 - \$10,000 | The purchaser shall obtain at least two (2) competitive quotes (phone, written, advertisement, email, etc.) and purchase the item/service from the supplier offering the lowest quote meeting specifications. |
| c. \$10,001 - \$49,999 | The purchaser shall obtain at least three (3) competitive quotes (phone, written, advertisement, email, etc.) and |

purchase the item/service from the supplier offering the lowest quote meeting specifications.

3. Purchases Greater Than \$50,000. For single items, projects, or annual services greater than \$50,000 (or lower thresholds as may be required by the Utah Procurement Code), or when the Director or Board determines that it will provide the best value for IEA, an RFP, RFQ, formal bid process or other solicitation method as determined by the state's procurement code will be used in which multiple bids will be received and evaluated using a formal evaluation process. The chosen solicitation method will follow the objectives and rules of to the Utah Procurement Code, to wit:
 - a. Requests for Proposals will be public as required in UCA 63G-6a- 703.
 - b. Procurements will be completely impartial based strictly on the merits of supplier and contractor proposals and applicable related considerations such as delivery, quantity, experience, past performance, etc.
 - c. An evaluation committee will review each proposal. The evaluation committee shall:
 - (1) include at least three individuals, at least one of which is from the school;
 - (2) contain no members that have any conflict of interest;
 - (3) develop criteria and a rubric by which to judge the proposals, including scoring values for each criterion, in advance of viewing any proposal, and score each proposal using only said criteria;
 - (4) not know the costs of a proposal until they have submitted their report on all other criteria, unless the board chair signs a public written statement waiving this requirement with an explanation about why this requirement was waived; and
 - d. Meet all other applicable requirements under UCA 63G-6a- 707.
 - e. Make all purchases in the best interests of IEA and its funding sources.
 - f. Obtain quality supplies/services needed for delivery at the time and place required.
 - g. Buy from responsible and dependable sources of supply.
 - h. Obtain maximum value for all expenditures.
 - i. Select the proposal that provides the greatest overall value and that is from a responsive and responsible bidder, unless that bidder is disqualified or otherwise ineligible, or if the Board Chair provides a written statement that describes the advantages to the school from accepting the proposal of the bidder other than the greatest-overall-value bidder, as described in UCA 63G-6a- 708.
 - j. Deal fairly and impartially with all vendors.
 - k. Be above suspicion of unethical behavior at all times; avoid any conflict of interest, related parties or even the appearance of a conflict of interest in supplier relationships.
 - l. Prepare a cost/benefit analysis of the selected proposal explaining the reasons it was selected that is kept with the winning proposal and other proposals.
4. Emergency Purchase. An "emergency purchase" is the purchase of goods or services that are so badly needed that the school will suffer financial or operational damage if they are not secured immediately. A decision to purchase may be declared in an emergency at the Director's discretion and "best value" procurement guidelines must be followed.

Each emergency purchase must be authorized by the Board Treasurer or designee. Sound business practices shall be used and documented in all cases.

5. Sales Tax. IEA is exempt from sales tax as both a governmental entity and as a charitable or religious organization. The school administration shall keep and monitor the use of the school's tax exempt status and forms. Only school employees or volunteers may use the school's tax exempt number and only for legitimate school purchases.

If sales tax is paid by IEA employees or volunteers at the point of sale, IEA shall seek reimbursement of sales tax consistent with applicable rules.

6. Purchases of goods or services for personal use or personal benefit of any amount are strictly prohibited.
7. IEA Administration shall implement appropriate procedures for initiating, reviewing, authorizing, approving and submitting purchases and expenditures in accordance with this policy.
8. Purchases shall adhere to the approved budget and budget policies.
9. Written records will be kept for all purchases, including competitive bids when applicable. Competitive bids will be filed in the winning bidder's vendor file.
10. All lease agreements will be evidenced by a lease or sublease agreement approved by the Board of Directors and signed by the Board Chair. The agreement will identify all the terms and conditions of the lease.

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