



Procurement Policy

Fiscal

Effective Date: November 19, 2018

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- (1) Purchasing Responsibilities. The Finance Department shall be responsible for:
 - (a) The procurement of supplies and services and the selection of suppliers required by Dixie Tech. Where appropriate other departments are to assist in the selection of suppliers.
 - (b) Locating and ensuring adequate and continuing sources of supply, consistent with legal, budgetary and delivery requirements.
 - (c) Providing the necessary assistance to acquire such supplies and services in a timely and economical basis.
 - (d) Assuring compliance with all applicable federal, state, and college regulations while meeting procurement needs.
 - (e) Providing procurement training to employees.
- (2) Procurement Limitations & Restrictions
 - (a) Purchases for the personal use of employees, with Dixie Tech funds, is prohibited.
 - (b) Per the Utah Public Officers' and Employees' Ethics Act, special procedures must be followed before Dixie Tech may purchase goods or services from Dixie Tech personnel or from business firms in which Dixie Tech personnel serve as officers or directors or hold a substantial financial interest.
 - (c) Binding contracts or services shall be approved by appropriate administrators before the purchase of such contracts or services.
 - (d) Individuals who do not comply with Dixie Tech policy when placing procurement orders may become personally liable to the vendor for the contract price. A noncompliant purchase may be rescinded or nullified by the Finance Department.
- (3) Requisitions
 - (a) A Purchase Requisition shall be submitted to the Finance Department to initiate the procurement of supplies and services. The Purchase Requisition must be signed by the Department's Budget Executive.
 - (b) Each requisition should be limited to similar or related items that are known or can reasonably be expected to be available from the vendor.
 - (c) All equipment, supplies, or services that are intended to be acquired at or about the same time as component parts of a single transaction should be included in the same requisition or series of related requisitions submitted simultaneously. It is improper under the law to divide or split procurement transactions into small units that are artificially devised to avoid the bidding requirements and other procedures applicable to larger unit transactions.
 - (d) Completed requisitions submitted to the Finance Department. The Finance Department will determine if there are adequate funds budgeted to make the purchase and, if appropriate, issue a Purchase Order. Issuance of a Purchase Order will result in the encumbrance of departmental funds. No purchases shall be made, except as set forth in subparagraph (e) immediately below, until the requisition is approved and a Purchase Order is issued by the Finance Department.
 - (e) When a purchase is made and payment is not immediately due, the supplier shall be

provided with the Purchase Order by the Finance Department. The resulting packing slip and invoice shall include (1) the Building to which the item is to be delivered, (2) the College Department for which the item was purchased, and (3) the Purchase Order number by including that information in the shipping address. When proof of payment is provided to the Finance Department for a purchase, the Purchase Order number shall be included on or with the proof of payment.

- (4) The following purchases are exempt from the Purchase Requisition, Purchase Order and Bidding Requirements:
 - (a) Payroll
 - (b) Travel, including commercial airfare and hotels
 - (c) Approved Dixie Tech purchasing card purchases not to exceed \$2,000. Except for (1) computer or peripheral equipment purchases made by the IT Services Department or (2) purchases made by Finance Department personnel, the purchase must be made for the purchasing employee's own program/department.
 - (d) Payments or reimbursements for goods or services approved with Check Requests where obtaining an invoice would be impossible or highly impractical. *Note: Reimbursements require approval of both the Budget Executive as well as the Finance Department.*
 - (e) Custom Fit transactions that follow State Custom Fit guidelines and approved procurement practices specific to that program.
- (5) Bidding Requirements
 - (a) Purchases under the following amounts are exempt from bidding requirements. It is expected that the requesting person and Budget Executive will take reasonable measures to ensure competitive pricing and be responsible stewards over Dixie Tech funds.
 - (i) Construction services up to \$25,000
 - (ii) Enterprise software, that is software used to satisfy the needs of more than a single department, up to \$50,000
 - (iii) Professional services up to \$100,000
 - (iv) All other goods and services up to \$5,000
 - (b) Purchases in the following amounts require written bids from at least two vendors. The bid prices should be included with the requisition to document that such bids were received.
 - (i) Construction services between \$25,001 and \$50,000
 - (ii) All other goods and services, except professional services and enterprise software, between \$5,001 and \$10,000
 - (c) Purchases for all other goods and services, except construction services, professional services and enterprise software, between \$10,000.00 and \$50,000 require written bids from at least three vendors. Faxed bids satisfy this requirement.
 - (d) The following purchases are subject to a competitive sealed bidding process or to a competitive sealed proposal process completed by the Finance Department. Advertised Invitations for Bids or Requests for Proposals are required. Notification of Invitations for Bids or Requests for Proposals will be advertised in a State of Utah sanctioned bid system, or as a legal notice within a circulated newspaper. Processing time will comply with State of Utah code requirements.
 - (i) Construction services exceeding \$50,000
 - (ii) Enterprise software exceeding \$50,000
 - (iii) Professional services exceeding \$100,000
 - (iv) All other goods and services exceeding \$50,000

- (e) Bids are not required under circumstances where such a process would be impractical and not in the best interests of the College, such as:
 - (i) Sole Source Procurement, when there the College President or a College Vice President determines in writing that there is only one practical source for a procurement item
 - (ii) When transitional costs are a significant consideration in selecting a procurement item and the results of a cost benefit analysis demonstrates that transitional costs are unreasonable or cost-prohibitive, and that the awarding of a contract without engaging in a standard procurement process is in the best interest of the institution
 - (iii) Emergency procurement, when an emergency condition exists that limits the capability of the institution to obtain competition. An emergency condition is a situation described in Section 63G-6a-803. These procurements shall be made with as much competition as reasonably practical while (1) avoiding a lapse in a critical government service, (2) avoiding harm, or a risk of harm, to the public health, safety, welfare, or property or (3) protecting the legal interests of the institution
 - (iv) Items for resale
 - (v) Public utility services
 - (vi) A procurement item where the most important consideration in obtaining the item is the compatibility of equipment, technology, software, accessories, replacement parts, or service
 - (vii) Instructional materials or other needed items for curriculum purposes
 - (viii) Membership fees, conference registrations, seminars, subscriptions to intellectual content
 - (ix) Used equipment when determined to be more practical or advantageous to the institution
 - (x) Advertising in magazines, journals, newspapers, radio, television, online, buses, billboards, etc.
 - (xi) Guest lecturers, performers, entertainers, convocations
 - (xii) Broadcasting rights, television programming and associated fees
 - (xiii) Original works of art
 - (xiv) Trial use, so long as the requirements of Utah Code Section 63G-6a-802.3 are met.
 - (xv) Procurements using State of Utah contracts or other cooperative contracts overseen by the State of Utah.
 - (xvi) Postage and direct mail
 - (xvii) Royalty payments