



Purchasing

Effective Date: 7/1/2016

Policy #: IV-20

1. Purpose:

It is the policy of the Idaho Department of Parks and Recreation that all purchasing activities comply with the laws of the State of Idaho and the rules of the Department of Administration, Division of Purchasing (DOP).

The purpose of this policy is to familiarize Department employees with the basic laws, rules, and procedures for purchasing property and services. It is intended to promote the best practices of public purchasing to ensure that supplies and services are obtained at the most favorable overall total cost through a competitive and transparent process.

2. Scope:

This policy applies to all Department employees, volunteers, contractors, other persons, or businesses performing any purchasing activity described herein.

This policy has been developed following Idaho Code Title 67, Chapter 57 and IDAPA 38.05.01, *"Rules of the Division of Purchasing."* These laws and administrative rules shall be the prevailing policy except under circumstances where the Department's policy is more restrictive.

This policy does not apply to construction or development projects administered by the Department's development bureau. The development bureau operates under the Department's statutory public works contracting authority and rules administered by the Department of Administration, Division of Public Works.

3. Responsibility:

The financial officer is the owner of this policy and is responsible for reviewing and updating the policy to reflect current laws, needs, and strategic initiatives. The Director must approve any amendment to this policy.

The financial officer will oversee the development and implementation of this policy and the development and implementation of any standard operating procedures created under the authority of this policy. The financial officer is also one of the named "purchasing delegates" under the authority granted by DOP and will provide a second level of confirmation that department policies and procedures are followed.

The Department buyer is the primary named "purchasing delegate" under the authority granted by DOP and will provide the first level of confirmation that department policies and procedures

are followed. The buyer will provide various levels of assistance and oversight for all purchasing activities based upon the thresholds defined in section 4.

Park managers, program managers, regional managers, and division administrators have responsibility to ensure purchasing thresholds established in section 4 are followed by all employees.

All Department employees have the responsibility to understand and follow the policies and procedures outlined herein, as well as exercise prudence, good judgement, and ethical practices when purchasing property or services.

3.1. Purchasing Ethics

All Department employees have a personal responsibility to conduct government business in an ethical manner. Idaho citizens, taxpayers, other state agencies, vendors, contractors, and others involved in the conduct of state business have a stake in the integrity and ethical performance of state employees. State laws, administrative rules, and this policy are put in place to preserve that integrity by helping to deter improper actions—or the appearance of improper actions—by employees and vendors. All Department employees are required to adhere to the intent and spirit of this policy, administrative rules, and the following laws:

- Idaho Code §67-5726(1) – Conflict of interest prohibition regarding the holding of contracts or selling of property or services to the state by state employees.
- Idaho Code §67-5726(2)(3) – Prohibitions regarding influencing, attempting to influence the award of a contract, or conspiring with a vendor to influence or attempt to influence the award of a contract.
- Idaho Code §67-5726(4) – Prohibition regarding the failure to use an open (statewide) contract.
- Idaho Code §67-5734 – Provides for misdemeanor or felony penalties for violations of Idaho Code §67-5726.
- Idaho Code §59-1026 – Provides for civil penalties up to \$5,000 for willfully or knowingly avoiding compliance with purchasing rules or competitive bidding statutes, including splitting or separating purchases with the intent of avoiding compliance with such statutes.

Any effort to circumvent or abuse state or department purchasing regulations and policies will not be condoned and is subject to disciplinary action up to and including dismissal.

3.2. Conflict of Interest

A conflict of interest occurs when an employee's private interests compete with their professional obligations to the Department to a degree that an independent observer might reasonably question whether the employee's professional actions or decisions are materially affected by personal considerations including but not limited to financial or other personal gain.

Employees and their relatives are therefore prohibited from entering into service contracts with or selling property to the Department.

4. Standards and Procedures:

4.1. Definitions

Buyer: Employee responsible for administering the department's purchasing activities.

Contract: Any written agreement, including solicitation or specification documents and the accepted portions of the solicitation, for the acquisition of property or services.

Department: The Idaho Department of Parks and Recreation.

Delegated Purchasing Authority: Authority granted by the Administrator of DOP to specifically identified Department employees that allows the designees to conduct purchasing activities up to the maximum designated amount of \$25,000.

Director: The Idaho Department of Parks and Recreation Director or designee.

Emergency Purchase: A purchase of property or services under conditions where there is an immediate threat to public health, welfare, or property arising by reason of extraordinary weather, riots, epidemics, equipment failure, or other similar circumstances.

Employee: A person employed by the Department, including volunteers.

Payment Services: The state web-based application for processing invoices.

P-Card: A department issued purchasing card.

Property: Physical goods, parts, supplies, and equipment.

Purchasing: The process of acquiring, renting, leasing, or contracting of property or services.

Purchasing Activities: All functions involved in purchasing property or services including, but not limited to, planning, description of requirements, processing purchase requisitions, selection and solicitation of sources, evaluation, preparation and award of contracts, and all phases of contract administration.

Purchase Order: A document to a vendor formalizing all of the terms and conditions of a proposed transaction.

Purchase Requisition: A document authorizing the initiation of a purchasing transaction.

Quotation: An offer to supply property or services in response to a request for quotation and generally used for small or emergency purchases.

Request for Quotation: The document, form or method generally used for purchases solicited in accordance with small or emergency purchases.

Services: Professional, general or consultant services.

Statewide Contract: (also Open Contract) A contract awarded by the state through DOP to one or more vendors who have agreed to allow all agencies purchase specified property under the terms and conditions set forth in the contract.

Vendor: A person or entity capable of supplying or selling goods or services to the Department.

4.2. Statewide Contracts

Statewide contracts are for common property or services that are used by multiple state agencies and are negotiated through DOP in order to provide optimum benefit for the all state agencies. They include a wide variety of items including, but not limited to, those listed below.

- Automobile Parts
- Automobile Rentals
- Cleaning Supplies, TP, Plastic Bags and Liners
- Envelopes
- Facilities MRO
- Fuel Cards
- Fuel (Bulk and Heating)
- IT Hardware and Software
- Photocopiers
- Office Furniture
- Office Supplies
- Paper (Xerographic)
- Propane
- Tires
- Telecommunication Equipment and Service

A comprehensive list of statewide contracts, including pricing and ordering information is available at http://purchasing.idaho.gov/statewide_contracts.html.

Purchases from statewide contracts do not require solicitation of additional quotes regardless of the total cost.

Use of these contracts is mandatory and is governed by Idaho Code §67-5426(4) which reads in part, “No officer or employee shall fail to utilize an open contract without justifiable cause for such action.” Deviation from approved open contracts must be in the best interests of the Department and must be approved in writing by the Administrator of DOP.

4.3. Minor Purchases and Delegated Purchasing Authority

For property and services not available on statewide contracts, Department employees may purchase products or services if authorized in advance by their supervisors and subject to the signature authority limits outlined in Appendix A.

It is the responsibility of the purchasing employee to determine and ensure funds are available and properly budgeted in advance of any purchasing activity.

Additional conditions on purchasing activities are defined by the following thresholds:

Less Than \$2,500. Single purchases under \$2,500 do not require solicitation of additional quotes. Authorized employees may purchase property under this threshold using good judgment and standard business practices.

Cost center managers are responsible for approving these purchases and ensuring that the necessary documentation is attached to the P-Card or Payment Services transaction.

\$2,500 to \$4,999. Single purchases between \$2,500 and \$4,999 require at least three informal price quotations from qualified vendors. Quotations may be obtained by telephone and must be documented on a *Purchase Requisition*. The *Purchase Requisition* must be attached to the invoice when submitted for processing.

The Department buyer will provide assistance for purchases under this threshold, including obtaining price quotations, upon request.

Cost center managers are responsible for approving these purchases and ensuring that the necessary documentation is attached to the P-Card or Payment Services transaction.

\$5,000 to \$9,999. Requests for purchases between \$5,000 and \$9,999 must be submitted to the Department buyer on a *Purchase Requisition* along with exact specifications for the item(s) being purchased. The *Purchase Requisition* should have all of the necessary approvals as well as proper accounting codes (PCA, Grant Number, and Project Number) prior to being submitted to the buyer.

The buyer will verify the approvals (see Appendix A), accounting codes and that there is sufficient budget for the expenditure. The buyer will also ensure the specifications meet the requirements for fair and open competition. The buyer will then coordinate obtaining a minimum of three written quotations from qualified vendors.

The financial officer will review all purchases under this threshold for complete documentation prior to approving the invoice for payment.

Delegated Purchasing Authority. Requests for purchases between \$10,000 and \$25,000 must be submitted to the Department buyer on a *Purchase Requisition* along with exact specifications for the item(s) being purchased. The *Purchase Requisition* should have all of the necessary approvals as well as proper accounting codes (PCA, Grant Number, and Project Number) prior to being submitted to the buyer.

The buyer will complete all of the review steps outlined above and coordinate the solicitation of formal quotes pursuant to DOP guidelines and the conditions of the Department's delegated purchasing authority.

All purchases within this threshold require the buyer to utilize the eProcurement system developed and administered by DOP.

The financial officer will review all purchases under this threshold for complete documentation prior to approving the invoice for payment.

4.4. Large Purchases

All purchases greater than \$25,000 are submitted to DOP by the buyer.

Requests for purchases greater than \$25,000 must be submitted to the Department buyer on a *Purchase Requisition* along with exact specifications for the item(s) being purchased. The *Purchase Requisition* should have all of the necessary approvals as well as proper accounting codes (PCA, Grant Number, and Project Number) prior to being submitted to the buyer.

The buyer will complete all of the review steps outlined in paragraph 4.3 above and will coordinate with DOP to complete the purchase.

The financial officer will review all purchases under this threshold for complete documentation prior to approving the invoice for payment.

4.5. Emergency Purchases

An emergency condition is any situation that creates an immediate risk to public health, welfare or property. Examples include extraordinary weather events, riots, epidemics, critical equipment failures or other similar circumstances. The existence of such a condition must create an urgent and unconditional need for property or services that cannot be met through normal purchasing methods.

In an emergency, division administrators, regional managers, bureau chiefs, the Director, the financial officer and the buyer have the authority to allow purchases up to \$10,000, without competitive quotes, in order to resolve an emergency or mitigate property damage.

Written justification for the emergency purchase should be submitted to the buyer at the next possible business day.

4.6. Leases and Other Contract Administration

Leases, memorandums of understanding (MOU), memorandums of agreement (MOA) and any other written document that obligates the Department's budget appropriation, regardless of the funding source, are all subject to the same competitive requirements for purchases outlined in sections 4.3 and 4.4 above.

Additionally, the Department has established a centralized contract routing and approval process that will allow for better internal control and reporting of information.

The routing and approval process is required for all contracts (including leases, MOUs, MOAs, etc.) that obligate the Department to pay more than \$10,000 over the life of the contract, or any contract exceeding one year in length. All documents meeting these criteria must be routed through both division administrators and the financial officer prior to being signed. The division administrators and the financial officer will review the documents for compliance with this

policy and whether additional review by the Department's deputy attorney general and/or Director is required.

4.7. Management Information Systems Hardware and Software Purchases

Purchases for all computer hardware, including PCs, laptops, and mobile devices (other than telephones), software, printers, and peripherals must be handled by the Department information technology (IT) resource manager.

Requests for purchases in this category must be submitted via email to the Department PC Help Desk pchelpdesk@idpr.idaho.gov.

4.8. Professional, Consultant and Information Technology Services

Professional, consultant, and IT service agreements, where the total cost for such agreements does not exceed \$100,000, are not subject to the competitive requirements for purchases outlined in sections 4.3 and 4.4 above.

However, because the definitions of what is allowed under these agreements is restrictive, and there are potentially significant budgetary implications, all agreements for professional, consultant, and IT services must be reviewed by the buyer and the financial officer prior to signing the agreement.

5. Revision History:

1. Supersedes administrative policy IV-1.
2. Revised by SM 2/1/2016. Developed from other state department policies.
3. Approved by Director on 6/30/2016.

6. References:

1. [IDAPA 38.05.01 – Rules of the Division of Purchasing](#)
2. [Idaho Code §67-5714 through §67-5734](#)
3. [Idaho Code §59-1026](#)

Appendix A

Signature Authority Table

The following table establishes maximum thresholds for each position authorized to conduct and/or approve purchasing activities pursuant to the department's purchasing policy. These thresholds apply to all operating expenditures, capital outlay, and service contracts and are subject to the department's budget appropriation.

These thresholds do not apply to construction or development projects administered by the Department development bureau under its delegated public works authority, or any trustee and benefit payment made under Board approved grant awards.

POSITION	PURCHASING AUTHORITY
Director	\$25,000 or Greater
Division Administrators	\$25,000 or Greater
Financial Officer	\$25,000 or Greater
Buyer	Less than \$25,000
Regional Managers / Bureau Chiefs	Less than \$25,000
MIS Manager	Less than \$25,000
Park and Program Managers	Less than \$5,000
P-Card Holders Not Listed Above	Less than \$2,500

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