



BOARD POLICY

Subject: **PURCHASING POLICY**

Established: February 21, 2018

Revised: **August 25, 2021**

PURPOSE: The SMCEC is committed to ensuring that ethical, efficient and accountable practices are used for sourcing, procuring and purchasing goods and services while striving to obtain the best value and quality for all SMCEC purchases.

GUIDELINES:

PURCHASING THRESHOLDS

Purchasing thresholds described below do not include tax and shipping on purchases.

Under \$1,000.00

Department managers can approve budgeted purchases for their department of \$1,000 and under without further advance approval. Informal quotes are encouraged to obtain the best value for the SMCEC. A purchase order is to be prepared by the manager and submitted to accounting with proper backup documentation for all purchases.

\$1000.01 - \$5,000.00

Three informal written quotes should be obtained whenever possible; or other documentation to show the best value was obtained for the SMCEC. A purchase order is to be prepared by the Department Manager and submitted to the CEO, or Controller in his/her absence, for approval prior to the commitment of funds. The CEO will return the signed P.O. to requestor. Requestor will make the purchase and submit P.O. to Accounting for processing.

\$5,000.01 - \$25,000.00

Three written quotes will be obtained. A purchase order is to be prepared by the Department Manager and submitted to the CEO, or Controller in his/her absence, for approval prior to the commitment of funds. The CEO will return the signed P.O. to requestor. Requestor will make the purchase and submit P.O. to Accounting for processing.

~~\$5,000.01 - \$50,000.00~~ **\$75,000**

The CEO will inform the Board President of all unbudgeted purchases exceeding ~~\$50,000.00~~ **\$75,000**. The CEO is authorized to approve all non-budgeted purchases up to **\$75,000** ~~\$50,000~~ without Board Approval. Items over \$5,000 require Three written quotes. A purchase order is to be prepared by the Department Manager and submitted to the CEO, or Controller in his/her absence, for approval prior to the commitment of funds. The CEO will return the signed P.O. to requestor. Requestor will make the purchase and submit P.O. to Accounting for processing.

~~\$75,000 50,001.00~~ and above

Purchases of ~~\$50,000~~ **\$75,000** and above will go through the RFP process and will require Board approval.

DEFINITION OF "PURCHASE"

A purchase is defined as an expenditure not previously approved by the Board under the then-current budget, through a transaction involving: a) a single service or set of related services supplied by a single entity; or b) a

single product or group of related products supplied by a single entity; or c) a combination of related products and services supplied by a single entity. Reimbursable expenses are excluded from this policy.

CREDIT CARD PURCHASES

SMCEC credit cards are to be used for authorized purchases or approved travel expenses and all requirements for purchases must be followed.