



Purchasing Policy

Governance Section: Finance

Revision Date: 7/27/2023

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Purpose

To provide a fair and equitable system for all persons involved in public purchasing with the Pool, to provide safeguards for maintaining a procurement system of quality that will maximize the purchasing value of public funds, and to comply with applicable procurement laws. The Pool is comprised of multiple entity types and follows the competitive solicitation standards established by the State Risk Manager, as well as purchasing requirements applicable to municipal corporations generally. Unless expressly limited by this Policy, the Pool may utilize any legal method of procurement.

Authority

Interlocal Agreement, Section 3, Powers

Bylaws, Section 4g (Purchase, lease, sale, and disposal of real property), 18 (Powers of the Executive Committee) and 42 (Power to contract)

Governance Policy: Ethics Policy

RCW 39.04 – Procurement of public works

RCW 39.26.050 – Provision of goods and services

RCW 39.34 – Interlocal Cooperation Act

RCW 39.80.010 – Procurement of architectural and engineering services

WAC 200-100-215 – Standards for contracts – Competitive solicitation standards for consultant contracts

WAC 200-100-220 – Standards for contracts – Purchases of goods and services not related to claims

Definitions

Minor Purchase – Purchases with a cost less than or equal to \$10,000.

Small Purchase – Purchases with a cost between \$10,000 and \$50,000.

Large Purchase – Purchases with a cost greater than \$50,000.

Request for information (RFI) – An informal request for written information about the capabilities of vendors.

Request for proposal (RFP) – A document soliciting proposals from multiple vendors interested in providing goods or services. RFPs are generally used when the request requires technical expertise, specialized capability, or where the product or service being requested is not currently being utilized by WSTIP.

Request for qualifications (RFQ) – A document seeking to establish a pool of qualified vendors.

Sole source procurement – A contract awarded without competition when it is determined that the purchase is clearly and legitimately limited to one vendor.

The dollar thresholds referenced in this policy are before application of costs related to sales tax, freight, etc.

Policy Statement

The Executive Director is delegated purchase authority by the Executive Committee to execute all procurement documents for goods and/or services and public works contracts up to \$100,000 in accordance with budget authority and with no additional approval except as provided for in Section 1.4.

The Executive Director has the final responsibility for the purchasing of all goods and services for the Pool consistent with applicable laws and policy, and considering total end-use cost, service, quality, price and delivery. The Executive Director may delegate limited authority to staff members in writing (such as for

securing meeting/training locations, or emergency procurements). The Executive Committee, at any time, may inquire about any purchases made by the Pool.

1. METHODS OF PROCUREMENT

1.1 Purchases of goods and services below \$10,000 (minor purchases):

The Pool will follow an informal process which is usually satisfied with catalog or internet price comparisons or by obtaining informal verbal or written price quotations including a declaration the price is fair and reasonable.

1.2 Purchases of goods and services above \$10,000 and below \$50,000 (small purchases):

The Pool will follow an informal competition process requiring solicitations from more than one vendor with the selection made being most advantageous to the Pool with price and other factors considered.

1.3 Purchases of goods and services greater than \$50,000 (large purchases):

Such purchases may be made with a RFQ or RFP depending on what is appropriate for the circumstances and value. A contract is required for all purchases of goods or services valued at more than \$25,000 and will be reviewed by General Counsel.

1.4 Contracting

- A. Contracts with a total anticipated value between \$50,000 and \$100,000 can be executed by Executive Director and then communicated to the Executive Committee once executed.
- B. Contracts with a total anticipated value exceeding \$100,000 will be presented to the Executive Committee for additional delegation of purchase authority specific to that contract.
- C. The Pool may memorialize its business relationships involving minor or small purchases in a manner other than WSTIP's form contract approved by the Executive Director.
- D. Contracts shall include the following provisions: agreement term, scope of services provided, form and timing of periodic reporting by the service provider to the pool, performance measures and corresponding reporting methods, compensation details, ownership and confidentiality of pool information, business continuation obligations of the service provider, data security obligations of the service provider, records ownership, retention and disclosure requirements, compliance with applicable state and federal requirements, indemnification of the parties and insurance requirements, assignability of the contracted relationship, cancellation and termination of the agreement, breach definition and remedies, legal venue to resolve disputes, and choice of law. The Pool may utilize a pre-approved template developed by the General Counsel.
- E. The Executive Director may approve any contract other than a change in coverage document or interlocal agreement:
 - 1) That was approved by the Executive Committee originally and by its terms is renewable.
 - 2) Which is necessary to address a declared emergency as provided in this Policy.
 - 3) That exceeds the Executive Director's authority and where delay would not be in the best interest of the Pool, the Executive Director may approve a change order less than 10% and will communicate such to the Executive Committee at their next meeting. All other changes must be approved by the Executive Committee prior to execution.

1.5 Credit Card or Purchasing Cards (Cards)

- A. The aggregate credit limit available to the Pool shall not exceed \$150,000.

- B. The Executive Director may issue cards and establish limits or controls with respect to the use of credit cards that in her or his judgment are in the best interest of the Pool including utilizing cards to pay for goods received or services rendered (in lieu of issuing a check and a Form 1099).
- C. The Executive Director, or their designee, shall approve card expenses incurred by employees. The Treasurer (or the Vice President in the Treasurer's absence) shall approve card expenses of the Executive Director.

2. SPECIAL PURCHASE AUTHORITY

- 2.1 Actuarial, Claims Auditing, Third Party Administrator, and Broker Services – To establish relationships for actuarial services, claims auditing, third-party administration, broker services, or any consultant asked to render an opinion or recommendation according to the consultant's methods, the State Risk Manager's Office requires, and the Pool shall follow, a competitive solicitation (see definitions of consultants within WAC 200-100-020 and WAC 200-100-215 for Standards for contracts). With respect to broker services, the Pool shall issue a competitive request at least every 10 years.
- 2.2 Professional services utilized in the claims and litigation process – The Pool may engage defense counsel, investigators, adjusters, specialty experts, court reporters, and the like to be utilized in the claims and litigation process. Services shall be secured with an emphasis on quality and as well as value. When practical, an RFQ or RFP will be utilized to establish a roster of vendors. The Executive Director may proceed with securing such services without any prior approval.
- 2.3 Meeting sites, training locations, lodging, and catering – Meeting sites, training locations, lodging, and catering associated with meetings, trainings, and WSTIP-sponsored events will be secured using a philosophy of shifting events around the state, with an emphasis of locating events in the geographic regions where WSTIP members are located. The Pool may exceed GSA per diem lodging pricing by no more than 25 percent. The Pool may proceed with securing meeting sites, training locations, lodging and catering with no prior approval assuming such expenses were anticipated in the budget.
- 2.4 Insurance – The Pool's Broker will seek the best possible insurance products at competitive pricing. Insurance products will be presented to the Board. Upon Board approval the Executive Director may proceed with binding coverage, paying premiums and execute any documents consistent with Board approval. To the extent there is only one coverage option available, this option does not materially change the terms and conditions of the expiring policy, and the cost of the coverage does not exceed 10% of the expiring policy, the Board authorizes the Executive Director to bind coverage, pay premiums, execute document and present coverage to the Board at their next regularly scheduled meeting.*
- 2.5 Information Technology – Recognizing the unique aspects and importance of technology systems, and the rapid shift away from capital purchases to service procurement, the Pool may contract for Software as a Service (SAAS) and Infrastructure as a Service (IAS) through a competitive negotiation process as allowed under RCW 39.04.270.
- 2.6 Emergency procurement – When a threat to public health, welfare, or safety exists, the Pool may declare an emergency and procure supplies, services, or construction items to withstand and recover from the emergency. As soon as practical, a record of the emergency procurement shall be made. Such record will detail the contractor's or vendor's name, the amount and type of the contract or

engagement, a listing of the item(s) procured under the contract, and the identification number of the contract file (if applicable). Emergency procurements shall be reported to the Executive Committee at their next meeting.

- 2.7 **Sponsored Purchasing Programs** – The Pool may utilize any government sponsored joint purchasing program for which it qualifies, and the Executive Director is authorized to enter into any agreements for such joint purchasing programs. The Pool may also utilize another agency’s purchasing contract and other agencies may utilize the Pool’s purchasing contracts (where authorized by the Pool’s vendor). The Pool may also utilize an approved Small Public Works Roster, such as those sponsored by the Municipal Research and Services Center (MRSC) or Washington Department of Enterprise Services (DES) allowed under RCW 39.04.155(2) for public works with a value of less than \$300,000 or may establish its own such roster.
- 2.8 **Exceptions to Competitive Bidding** – The Executive Director may utilize exemptions to competitive bidding requirements as provided by law and in the best interest of the Pool, including exemptions provided under RCW 39.04.280 and, specifically, for emergencies defined in RCW 39.04.280 (3). Prior to authorization of a sole source procurement a purchase justification form shall be prepared, reviewed, and approved by the Executive Director.
- 2.9 **Real Property** – The Pool may purchase, sell, or lease real property after:
- A. securing a recommendation from the Executive Committee, and
 - B. approval by the Board of Directors.

Treatment of Contractors and Suppliers

The Pool shall treat all vendors, contractors, and suppliers with dignity, respect, and professionalism. No vendor, contractor, or supplier shall be expected or asked to provide gifts, perks, or anything of value to anyone associated with the Pool as a condition of doing business with the Pool.

Supersedure

This Policy supersedes any previous purchasing policy, resolution, or action by the Pool that is contrary to, or otherwise conflicts with this Policy.

Amendment

This policy may be amended by the Executive Committee.

History and Repealer

Resolution No. 2-2003, Sections 17 and 22.

Purchasing Policy as it was passed by the Executive Committee on June 23, 2016.

Contractors and Suppliers Policy as it was passed by the Executive Committee on September 27, 2018.

Non-Member Intergovernmental Procurement Policy as it was passed by the Executive Committee on September 28, 2017.

*This Board authority for this alternative bind authority (Section 2.4) was granted on June 23, 2023.

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Approved by the Executive Committee on July 27, 2023.

Attest:

Approved as to form:

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Scott Deutsch

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Scott Deutsch, President

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Joseph Macdonald

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Joseph Macdonald, Secretary

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Richard L. Hughes

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Richard L. Hughes, General Counsel