



## **Procurement Policy**

- (1) 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 trustees or from business firms in which Dixie Tech personnel or trustees serve as officers or directors or hold a substantial financial interest.
  - (c) Individuals who do not comply with Dixie Tech policy when making purchases may become personally liable to the vendor for the contract price. A noncompliant purchase may be rescinded or nullified by the Finance Department.
- (2) Requisitions and Purchase Orders:
  - (a) No purchases shall be made prior to the issuance of a Purchase Order, except for:
    - (i) Payroll;
    - (ii) Purchases made in accordance with the Purchasing Card Policy; or
    - (iii) Upon approval by the College President or a Vice President:
      - (A) Travel or other reimbursements; or
      - (B) Check Requests, where obtaining a Purchase Order is impractical and no procurement solicitation is required as set forth herein. Check requests may also be used where the College is paying an existing contractual obligation, or public utility charges.
  - (b) A requisition shall be submitted to the Finance Department to initiate purchases, with any required quotes attached.
  - (c) Each requisition should be limited to similar or related items that are known or can reasonably be expected to be available from the vendor.
  - (d) 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 procurement solicitation requirements and other procedures applicable to larger transactions.

- (e) The Finance Department will only approve a Purchase Order if:
    - (i) A requisition has been submitted with appropriation documentation;
    - (ii) There are adequate funds budgeted to make the purchase;
    - (iii) The appropriate approvals have been made as determined by the Executive Team; and
    - (iv) Procurement solicitation requirements have been complied with.
  - (f) Issuance of a Purchase Order will result in the encumbrance of departmental funds unless payment will be made immediately.
  - (g) A Purchase Order shall be completed for auctions prior to any bid being made that exceeds the maximum allowable for purchase without a requisition. All bids shall be made by Finance Department personnel unless authorized by the Vice President of Administrative Services.
  - (h) The supplier shall be provided with the Purchase Order by the employee making the purchase. The employee shall ensure that the resulting packing slip and invoice includes (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.
  - (i) The final cost of the purchase may exceed the amount originally authorized by 10% or \$5,000, whichever is less, without the need for a new or amended Purchase Order.
- (4) Procurement solicitations are not required for:
- (a) Purchases for which an exception is provided in the Utah Code.
  - (b) Purchases under the following amounts with a written quote from a vendor:
    - (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) Custom Fit training, up to \$50,000; and
    - (v) All other goods and services, up to \$5,000.
  - (c) Purchases with written quotes from at least two vendors for:
    - (i) Construction services between \$25,001 and \$50,000; and
    - (ii) All other goods and services, except professional services and enterprise software, between \$5,001 and \$10,000.
  - (d) Other purchases up to \$50,000 with written quotes from at least three vendors.
  - (e) Supplies purchased for resale to the public.
  - (f) Public utility services.
  - (g) A procurement item where the most important consideration in obtaining the item is the compatibility of equipment, technology, software, accessories, replacement parts, or service;

- (h) Unique research materials;
- (i) Instructional materials or other needed items for curriculum purposes based on pedagogical need and academic freedom of instructors;
- (j) Membership fees, conference registrations, seminars, subscriptions to intellectual content;
- (k) Conference venues and associated meals and entertainment at said venues;
- (l) Used equipment when determined to be more practical or advantageous to the institution;
- (m) Placement advertising in magazines, journals, newspapers, radio, television, online, buses, billboards.;
- (n) Library journals, periodicals, and rare books;
- (o) Athletic game guarantees;
- (p) Guest lecturers, performers, entertainers, convocations;
- (q) Broadcasting rights, television programming, and associated fees;
- (r) Original works of art;
- (s) Travel, including commercial airfare and hotels;
- (t) Sub-recipients of sponsored projects contributing to the scope of work for the project;
- (u) Institutional sponsorship of third parties;
- (v) A procurement item from a specific supplier, service provider, or contractor that is a condition of a grant that will fund the cost of the supply, service, or construction item;
- (w) Publications of an article, manuscript, research paper in a professional journal, periodical, or other source;
- (x) Original equipment manufacturer parts, supplies, maintenance, and service when determined to be in the best interest of the institution; and
- (y) A procurement item from a specific supplier, service provider, or contractor that is a condition of a donation or sponsorship that will fund the cost of the supply, service, or construction item. Neither state funds nor institutional funds may be added to the donation or sponsorship in order to make an award under the provisions of this section;
- (z) Trial Use: The institution may award a contract for a procurement item without competition if the requirements of Section 63G-6a-802.3 are met and the president or designee determine in writing that the procurement item is needed for trial use or testing to determine whether the procurement item will benefit the institution.
- (aa) Emergency Procurement: Emergency procurement is appropriate when an emergency condition exists that limits the capability of the institution to obtain competition. An emergency condition is a situation described in Subsection 63G-6a-803(1). These procurements shall be made with as much competition as reasonably practical while: avoiding a lapse in a critical government service; avoiding harm, or a risk of harm, to the public health, safety, welfare, or property; or protecting the legal interests of the institution.
- (bb) Sole Source Procurement: A standard procurement process is not

required where there is only one source for a procurement item. The institution's president or designee shall determine in writing whether a procurement shall be made as a sole source. Notice of a sole source procurement must be published in accordance with Subsection 63G-6a-802(3) if the cost of the procurement item exceeds the amount established by Title 63G, Chapter 6a, Utah Procurement Code except where excluded under USHE Rule R765-571a-8.6.

- (cc) Transitional Cost: A standard procurement process is not required where transitional costs are a significant consideration in selecting a procurement item and the results of a cost benefit analysis demonstrate 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. Notice of a procurement based on transitional cost must be published in accordance with Subsection 63G-6a-802(3) if the cost of the procurement item exceeds the amount established by Title 63G, Chapter 6a, Utah Procurement Code except where excluded under USHE Rule R765-571a-8.6.
- (dd) The College President may establish additional policies and procedures that designate circumstances under which the standard procurement process is impractical and not in the best interest of the institution.
- (6) For other purchases, a procurement solicitation shall be conducted in accordance with USHE Policy R765-571a-7 and the Utah Code.
- (7) All packing slips and invoices shall be delivered to the College Purchasing Officer within two business days of receipt.
- (8) Contracts:
  - (a) Instructional managers and directors may execute personal service contracts with adjunct instructors, so long as the payment is less than \$2,000.
  - (b) Contracts obligating the college in or involving an amount of less than \$10,000 may be executed by the following College personnel, so long as the contract does not provide that the College will indemnify any other party:
    - (i) The College President;
    - (ii) A College Vice-President;
    - (iii) The College Controller.
  - (c) All other contracts must be executed by the College President or the Vice President with authority over procurement.
  - (d) All contracts, other than personal service contracts with College employees, shall include a Government Entity Addendum where possible.
  - (e) All contracts executed on behalf of the College shall be delivered to the College Purchasing Officer as soon as is practical.

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