

MAG Procurement Policy

Updated June 2022

The procurement policies are intended to ensure fair and equitable treatment for all persons who wish to do business with MAG and to foster effective broad-based competition within the free enterprise system to ensure that MAG will receive the best possible service or product.

MAG shall designate a Procurement Agent who shall be responsible for:

1. Ensuring that all procurement complies with federal and state regulations where applicable.
2. Ensuring that all procurement is allowed under the MAG approved budget.
3. Ensuring that all procurement complies with all terms and conditions of the grant for which the purchase is being made.
4. Overseeing the Small Purchase procedures.
5. Identifying and documenting single source procurement.
6. Soliciting bids, quotes, and proposals for goods or services and preparing contracts for the Executive Director or Deputy Executive Director signature when needed.

There are generally four classes of procurement:

- Small purchase less than \$5,000
- Purchases over \$5,000 but under \$25,000
- Single source
- Competitive bid (over \$25,000)

Small Purchase – Purchases less than \$5,000 do not require bids or quotes, however effort should be made to use assorted vendors who provide comparable merchandise/service at comparable prices. Purchases may not be artificially divided so as to constitute a small purchase. All small purchases must have a properly completed and approved purchase order prior to making the purchase. The purchase order may be signed by the Procurement Agent or his designee. A copy of the completed and signed purchase order is to be given to the Administrative Services Department. When possible MAG should use providers who have contracted with the State of Utah in order to receive best prices and terms.

Purchases over \$5,000 and under \$25,000 – Purchases over \$5,000 and under \$25,000 will require three quotes that are to be documented. Requests for quotes shall include a description of the product or service and terms of the sale. Documentation shall include any written quotes and/or a completed quote form that includes the name of vendor, vendor contact name, vendor address and phone number, product/service description, and total cost. Selection of a vendor will be made on the basis of quality of the service or product and cost. All quotes and/or quote forms shall be attached to the signed purchase order and given to the Administrative Services Department.

Single Source – This may be used when there is only one provider available or there is a clear advantage to MAG for using the single source. This may also be used to resolve an emergency situation. A purchase shall be deemed an emergency purchase if it is required to maintain health and safety and/or to avoid an interruption in work activity such as a mechanical, structural, plumbing, or equipment malfunction. All single source procurement decisions must be documented by the Procurement Agent and approved by the Executive Director or Deputy Director.

Competitive bid – Goods or services with an annual aggregate total price of more than \$25,000 must be procured through a competitive bid process. An invitation to bid shall include a description of the goods or services and all terms and conditions that will apply. Public notice shall be placed on the MAG public website or in a general circulation publication not less than 15 days prior to close of bid solicitation. A committee shall be identified to make the selection based on the requirements set forth in the invitation to bid. The sealed bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the invitation for bids. The names of the bidders, the amounts of the bids, and any other relevant information shall be recorded and available for public inspection. Bids shall be unconditionally accepted without alteration or correction. The bid shall be awarded to the lowest responsive and responsible bidder who meets the requirements and criteria set forth in the invitation to bid. All bid documentation shall be given to the Administrative Services Department.

In lieu of MAG initiating a competitive bid process, the Procurement Agent may use contractors from the MAG and WFRC Consultant Pool or UDOT Consultant Pool who have been pre-qualified and selected using the competitive bid process. No more than \$150,000 in services per contract may be awarded to any single provider. Written explanation must be documented in writing and provided to the Administrative Services Department.

INTERNAL CONTROL: The Procurement Agent is separate from the accounting process and is responsible for ensuring all purchases are authorized by MAG budget and made using the policy set forth in this section.