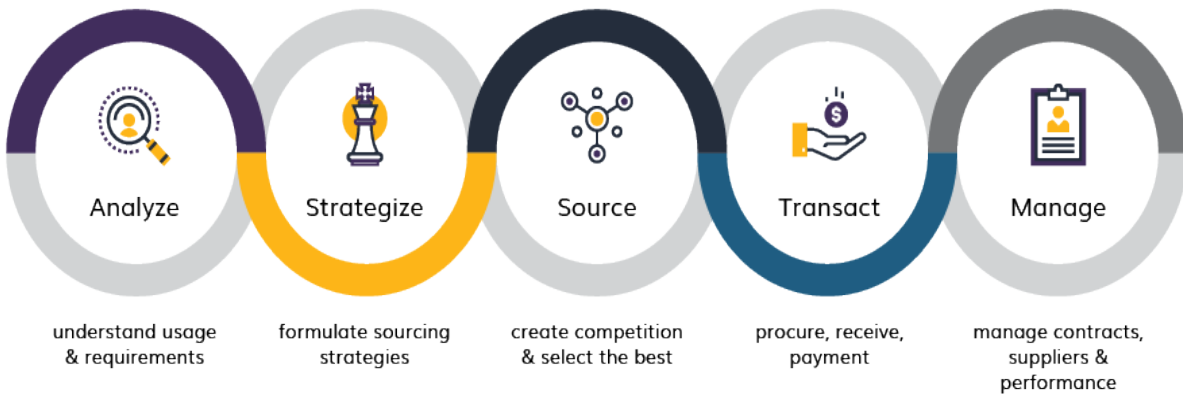


Procurement Newsletter

April 2024



In this issue:

- Focus on Mission
- Updated Procurement Policy
- Computer Ordering Process
- Setting up County Business accounts
- State Travel
- Quote Process
- Cost Avoidance Savings
- Ducks in a Row Recognition

Focus on Mission

Robert Baxter, Purchasing Manager

You may have heard the Danish proverb, “The operation was a success, but the patient died.”



Sometimes we can get so caught up in rules, regulations, and procedures that we forget what our objective is. Obviously, we must adhere to regulations and procedures, but they are the constraints we have to live with; they are not the goal in themselves.

In my previous career, I had to take a defensive driving course before moving to Guatemala. As part of the course, the instructor set several cones in the road and instructed me to drive between the cones at a certain speed and try to avoid hitting them. I hit several of the cones. He then explained my problem: I was focusing on the cones. Instead of focusing on the cones, I needed to focus on where I wanted the car to go. I drove the course again, keeping my eye on where I wanted the car to go, and to my amazement I didn't hit a single cone!



What did I learn from this (other than how to avoid hitting obstacles in the road)? Focus on your goals. Focus on where you want to go, rather than on what you are trying to avoid.

In Procurement, our Mission Statement is:

“To enable County departments to achieve their goals through innovative solutions and exceptional support.”

This means that, instead of searching for roadblocks, we are searching for a road forward that will fit within the constraints. We try to make this our constant focus. If you ever feel that we aren't focusing on solutions to your goals, feel free to call us out on it!

New Procurement Policy Side-by-Side Comparison

We recently completed a project that we have been wanting to accomplish for years: updating the County Procurement Policy. Nobody knows how old the previous policy was, but it was 95 pages long, it included a lot of confusing material, and it was very outdated (It still referenced sending telegrams for RFPs!) The new policy is now 22 pages and is hopefully more understandable and user-friendly. Here is the link: <https://www.utahcounty.gov/Dept/Auditor/docs/ProcRulesRegs.pdf>

Along with the updates, several of the thresholds have changed as well. We encourage you to become familiar with the new policy and the changes. Here is a side-by-side comparison of the old and new policies. Feel free to contact us if you have any questions, or if you spot any errors or inconsistencies.

There are three facets of a purchase that need to be addressed:

- Approvals
- Competition
- Contracts

APPROVALS

Old	New
-Department Head approves all P.O.s	-Division Managers may approve up to \$10K -Department Heads up to \$50K
-Commission approves over \$5K for departments with appointed Department Heads and over \$10K for elected Department Heads	-\$50K - \$100K County Administrator -Over \$100K Commission

Impact: Division Managers need to be well versed in Procurement Policy.
Very few transactions will be reviewed by the Commission.

COMPETITION

Old	New
-Up to \$5K no bids required	-Up to \$10K no bids required
-Goods \$5K - \$50K: 3 quotes -Services \$5K - \$50K: 3 quotes -Subscriptions \$5K - \$50K: 3 quotes -Construction \$5K - \$50K: 3 quotes	-Goods \$10K - \$50K: 3 quotes -Services below \$100K: No quotes required -Subscriptions below \$50K: No quotes required -Construction below \$100K: No quotes required
-Anything over \$50K: Sealed RFP or ITB	-Goods over \$50K: ITB -Services over \$100K: RFP -Subscriptions over \$50K: RFP -Construction over \$100K: RFP or ITB

Impact: A PO is a contract if it includes Terms and Conditions, and it is sent to the vendor.
P-card purchases up to \$10K can be made without needing competitive quotes.
In many cases, competitive quotes aren't required, but are still advisable.
Much higher threshold for Professional Services.

CONTRACTS

Old	New
-Goods over \$10K: Contract	-Goods over \$10K: Purchase Order is contract
-Services over \$5K: Contract	-Services over \$10K: Contract
-Subscriptions over \$5K: Contract	-Subscriptions over \$10K: Contract
-Construction over \$5K: Contract	-Contract for all construction projects

Impact: A PO is a contract if it includes Terms and Conditions, and it is sent to the vendor.
Eliminates need for Commission agenda for goods purchased with a PO.

OTHER CHANGES

Cumulative Thresholds

- Thresholds apply if there is a reasonable expectation of purchases within the year.
- Procurement will be looking at purchases County-wide to get economies of scale.

P-Cards

All purchases up to \$10K should be made on the P-card, if possible.

- o Should avoid using the P-card if vendor charges credit card fees.
- o Department Heads may want to set lower card limits.

Other Changes

Local Preference. Up to 10% preference given for Utah County vendors in competitive bidding.
Added an exemption from competition for media advertising, including social media.

Some of these changes were made in anticipation of the new ERP. Note that our P.O.s currently do not include terms and conditions. We are working on a solution to that, but in the meantime, you will still need to have a contract for the purchase of goods over \$10,000, and the contract will need to go on the Commission agenda. We will let you know when the system will allow attaching terms and conditions to P.O.s. Once that is accomplished, the P.O. will serve as the contract.

Approvals

Level	Purchase Amount*	Approver
1	Less than or equal to \$10,000	<ul style="list-style-type: none"> • Division Manager or Department Head Designee
2	Less than or equal to \$50,000	<ul style="list-style-type: none"> • Department Head • Purchasing
3	Less than or equal to \$100,000	<ul style="list-style-type: none"> • Department Head • County Administrator • Purchasing
4	Over \$100,000	<ul style="list-style-type: none"> • Department Head • County Administrator • Purchasing • Commission*

* Purchase orders issued under an existing County contract will not require additional Commissioner approval.

Competition and Contracts

Purchase Type	Informal Threshold	Informal Method	Formal Threshold	Formal Method	Required Contract Documents
Goods, Equipment, Supplies, Materials	More than or equal to \$10,000	3 Quotes	More than or equal to \$50,000	ITB	Purchase Order
Services	Less than \$100,000	N/A	More than or equal to \$100,000	RFP/RFQ	Contract (if over \$10,000) and Purchase Order
Subscriptions, Equipment Leases	Less than \$50,000	N/A	More than or equal to \$50,000	RFP	Contract (if over \$10,000) and Purchase Order
Construction/ Public Works Projects	Less than \$100,000	N/A	More than or equal to \$100,000	ITB/RFP/RFQ	Contract and Purchase Order

Computer Ordering Process



Information Systems is responsible for all computers, e.g. desktops, laptops, and tablets.

All computer purchases need to be obtained through the Information Systems Department. This includes non-networked computers.

Setting Up County Business Accounts

Before you set up a new business account with a vendor, contact Procurement to see if an account has already been set up for county-wide use.

A few reasons for this are as follows:

1. County has several accounts already set up with vendors.
2. Accounts are already set up tax exempt.
3. Some business accounts require us to accept Terms and Conditions. Only Commission can agree to Terms and Conditions.
4. Consolidates orders under one account, which allows us to negotiate better rates.
5. Procurement runs reports to compare what the vendor charged against quotes and/or contract rates.
6. Allows for audit access.
7. Minimizes confusion that can result from having multiple County accounts with the same vendor.
8. Most grants and/or federal funding require a vendor to be active in www.Sam.gov
9. More vendors are requiring Procurement to set up a county wide account as tax exempt and to prevent procurement fraud.
10. More vendors are requiring Procurement to register approved County issued P-cards within approved county accounts. This associates the card with our account to obtain contract discounts. Rebates, prevent procurement fraud and to work instore or online.

State Travel



The State of Utah has contracted with a travel agency to provide business reservation assistance for the following services:

In-State Travel: Airline, rental car, hotel/motel, rail and bus reservations.
State Travel has negotiated rates with several hotels for official Government business.

Out-Of-State Travel: Airline, rental car, hotel/motel, rail and bus reservations.
Corporate Travel 800-367-3230, statetravel@utah.gov, www.statetravel.utah.gov
Monday - Friday 800-367-3230 (8:00 a.m.-5:00 p.m. Recommend calling for faster service.
After Hours Emergency Line 1-888-739-7018

A small fee is charged for using the travel agency (Christopherson Travel):

Airline tickets \$27

Car and or hotel only \$8

If an airline ticket, car and/or or hotel are booked together, it is just the \$27 service fee.

When contacting State Travel, you will need a County P-card for reservations. You can also add the card to your online profile. Email confirmations are sent to your County email address.

If a County employee wants to use State Travel for their airfare to an approved conference and a family member wants to go with them, the family member is allowed to use State Travel to obtain their airfare at the same time but with their own credit card.

State Travel reservations, e.g. airfare is refundable if the traveler does not go. Ask about the different rates and options.

If you have questions on how to use State Travel, reach out to Procurement.

Quote Process



Per the new Procurement Policy: For purchases that require Quotes, the Purchase Requester must obtain and document at least three (3) Quotes. When obtaining Quotes from vendors:

- i. Provide all vendors with the same information to assure Quotes are for equal and comparable items.
- ii. All Quotes should be documented in writing and included with the Purchase Requisition.
Responses must contain, at a minimum, the following:
 - a. Contract Date
 - b. Description of goods, equipment, or services.
 - c. Unit price
 - d. Name of vendor and their contact.
 - e. If using a Procurement approved contract, quote must reference contract number.
- iii. If a vendor does not respond to a request for a quote, the Purchase Requestor must document the request if the request is to be counted as a request for a quote.

To be fair and transparent with vendors, requests are posted for a minimum of 7 calendar days. To make obtaining quotes easier, Procurement has an electronic platform called “GovQuote” to post bid requests and let the vendor respond within the platform. The responses are recorded within the platform and easily auditable. If you are not familiar with GovQuote, reach out to Procurement, and we can show you how to use it.

If the item to be purchased is found on a State contract, you also have the option to use the State of Utah Procurement website to request “Get-A-Quote”. The request is sent to all vendors in that portfolio. This allows vendors on State contract to compete against each other to get you the best price possible.

Contact Procurement for more information on how to use either option.

Cost avoidance savings

What is cost avoidance savings? Cost avoidance is measured by taking the average cost of the bids received and comparing the average to the actual cost we ended up using.

Procurement keeps a spreadsheet of costs avoidance savings. From May 2023 to March 2024, we identified **\$327,414.00** in Department savings when Procurement was involved up front.

Ducks in a Row Recognition



Ducks in a Row sounds just like what it means. Someone who has their Procurement ducks in a row (their Procurement process is within the approved parameters and policies) to help the Procurement process move along in a smooth manner.

This month's Duck in a Row recognition goes to Laurie Reynolds in the Sheriff's Department for her outstanding work in the Procurement process.

Laurie was selected because she starts with the end in mind. Some days she wonders who's mind! With Laurie's insight on the Procurement process, purchase requests flow through the approval process because they meet procurement requirements from the start. Laurie reaches out with any questions she has related to Procurement.

Laurie was asked a few "get to know you" questions. We received a response from Laurie and her supervisor Chief Deputy Higley. Both responses are listed below with their approval:

Chief Deputy Higley:

Thank you for recognizing Laurie's amazing talent! This is amazing. I think I can answer the questions for her....

What is the best vacation you have been on? **The best vacation I have ever been on is the one I get to go on every day! Going to work at the Utah County Sheriff's Office in beautiful Spanish Fork is the best vacation a person could ask for!**

What is your biggest fear? **Chief Deputy Higley retiring.**

If you could have dinner with one famous person who would it be? **Probably Axl Rose from Gun's N' Roses... rock on!!!!**

From Laurie:

Oh. My. Heck! Do NOT listen to a word Matt says! The man is crazy! (Probably not telling you anything new). Here are MY answers (and thank you for thinking of me).

Best vacation: I think almost all of my vacations involve visiting my out of state kids But I have enjoyed vacations to Hawaii and to Nauvoo.

Biggest fear: My kids and my grandkids can attest to this: Grasshoppers! Seriously. Those nightmarish creatures should never have been invented.

Dinner with a famous person: Well, I suppose that would have to be Chief Deputy Matt Higley. He IS pretty famous (in his own little world). But President Nelson would also be a good choice.

Congratulations to Laurie!