

Business Procedures
Series 800

Policy Title: Purchasing

Code No. 809

Policy Statement

Purchasing considerations include cost, quality, conformity to specifications, suitability, delivery terms, and availability of service and repair.

Heartland AEA encourages competitive purchasing in all services and areas of operations.

Scope of Policy

This policy applies to all expenditures, and it is intended to promote the efficient use of agency resources.

When procuring goods and services, agency staff should determine if public bidding processes have been conducted for the items of interest. Example bidding processes include those from AEA Purchasing, the State of Iowa, or a national purchasing cooperative. In some instances, competitive quotes are not reasonably available due to the proprietary nature or from sole source providers, such as with certain technology products, computer software, and digital library subscriptions. Professional services may be specialized, such as legal, professional development, and consulting. Therefore, the Board may determine that one vendor can best provide a specialized service to the agency.

Accountability Overview

The Board ensures that appropriate processes are followed by reviewing vendor payments and contracts, monthly financial reports, and proposed budgets.

The quotation process may be informal, except in these situations:

- For goods or services exceeding \$20,000, document at least three competitive quotes.
 - Exceptions:
 - Obtaining goods and services from a sole source provider or from a competitively bid process by a third party (AEA Purchasing, State of Iowa, etc.) eliminates the need for securing additional price quotes.
 - The Board retains the right to waive competitive quotes when it is not practical to obtain multiple quotes or when it believes that services can best be performed by a certain vendor.
- Public improvement projects are subject to cost thresholds and procedures prescribed in Chapter 26 of the Iowa Code.

A system of internal controls is utilized to safeguard expenditures:

- The chief financial officer or designee must approve expenditures less than \$5,000.
- The chief administrator must approve expenditures \$5,000 to \$20,000.
- The Board must approve
 - Expenditures greater than \$20,000 unless an exception applies from Board Policy 818.
 - Contractual commitments as described in Board Policy 818.
 - Public improvement projects exceeding \$20,000.

Date of Adoption: July 9, 1991

Reviewed: 11/20/92 & 9/8/98, 8/05

Amended: 12/8/92, 5/13/14, 3/14/17, 4/13/21