
520 -- Procurement Policy

1.0 PURPOSE

This Procurement Policy establishes approval procedures for purchases by employees of the Des Moines Pool Metropolitan Park District (District), establishes purchasing authority levels, purchasing procedures and reporting requirements.

2.0 GENERAL RESPONSIBILITIES

- 2.1. **Board of Commissioners.** The Board is responsible for establishing policy direction for the District under Washington State law (RCW 35.61.135).
- 2.2. **District General Manager or Board Designee.** The District General Manager or Board Designee has the limited authority delegated pursuant to this Policy.

3.0 DEFINITIONS

- 3.1. **Budget.** The formally adopted annual expense/revenue plan of the District.
- 3.2. **Emergency.** Unforeseen circumstances beyond the control of the District that either: (a) present a real, immediate threat to the proper performance of essential functions; or (b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken. (RCW 39.04.280(3)).
- 3.3. **Designated Purchasing Cooperatives.** The following interlocal cooperative purchasing arrangements are authorized for use by the District in accordance with the requirements of the sponsoring agencies.
 - 3.3.1. **KCDA.** The King County Directors' Association "KCDA" is a purchasing cooperative established by Washington's public-school districts. The KCDA allows the District to purchase materials, equipment and supplies through the cooperative pursuant to the interlocal cooperation act (Chapter 39.34 RCW) in a manner that complies with statutory bidding and procurement requirements.
 - 3.3.2. **State Purchasing Cooperative.** The State Purchasing Cooperative is established by the State of Washington, Department of General Administration and establishes a purchasing cooperative that allows the District through the interlocal cooperation act (Chapter 39.34 RCW) to purchase materials, equipment and supplies in accordance with statutory bidding and procurement requirements.
 - 3.3.3. **Washington Department of Information Services.** The Washington Department of Information Services is authorized under chapters 43.105 and 39.34 to provide information services to state and local governments. Purchases of software and information services through the Washington Department of Information Services complies with the statutory bidding and procurement requirements.
- 3.4. **Bid Exemptions.** RCW 39.04.280 establishes specific exemptions from the statutory bidding requirements in the following limited situations: 1) Purchases that are clearly and legitimately

limited to a single source of supply; 2) Purchases involving special facilities or market conditions; and 3) Purchases and Public Works in the event of an emergency. See 4.4 under Purchasing Authority.

3.5. Responsible Bidder. In determining whether the bidder is a responsible bidder, the agency must consider the following elements:

3.5.1. Equipment, Materials and Supplies Purchases.

- (a). The ability, capacity, and skill of the bidder to perform the contract or provide the service required;
- (b). The character, integrity, reputation, judgment, experience, and efficiency of the bidder;
- (c). Whether the bidder can perform the contract within the time specified;
- (d). The quality of performance of previous contracts or services;
- (e). The previous and existing compliance by the bidder with laws relating to the contract or services; and
- (f). Such other information as may be secured having a bearing on the decision to award the contract.

3.5.2. Public Works Projects.

- (a). Contractor must have valid certificate of registration.
- (b). Contractor must have valid State UBI number.
- (c). Contractor must maintain workers compensation coverage and unemployment insurance coverage for all employees and maintain a state excise tax registration number.
- (d). Contractor cannot have been disqualified from bidding on any previous public works contract.
- (e). Contractor cannot have violated the state apprenticeship utilization requirements on any public works project during the one-year period prior to the District's Project.
- (f). Contractor must meet the statutory public works training requirements under RCW 39.04.350.
- (g). Contractor must not be subject to a revocation of a minor work permit under RCW 49.12.390(4).

3.5.3. The previous and existing compliance of the bidder with laws relating to public works; and

3.5.4. Such other information related to the performance of the contract as the bid solicitation deems advisable.

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- 3.6. Public Work.** Means all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the District, or which is by law a lien or charge on any property within the District (RCW 39.04.010).
- 3.7. Small Works Roster.** A process authorized by RCW 39.04.155 that allows the District to publish and maintain a roster of contractors available to perform public works contracts. The District can establish and maintain its own roster or joint a cooperative roster such as MRSC Rosters.
- 3.8. Cooperative Purchase.** A Cooperative Purchase allows the District to comply with the statutory bid requirements by purchasing from a bid that another municipal corporation has awarded. Use of Cooperative Purchase requires an interlocal agreement with the municipal corporation that is going to bid or has gone to bid.

4.0 PURCHASING AUTHORITY

- 4.1. Board of Commissioners.** The Board of Commissioners shall approve an annual budget that authorizes specific and general expenditures within certain budgetary limits. The Board shall be required to approve individual expenditures in excess of \$50,000.00 The Board shall also review and approve all vouchers and electronic transfers on at least a monthly basis.
- 4.2. District General Manager or Board Designee.** The District General Manager or Board Designee shall have authority to make expenditures within the specified budgetary line-item limits adopted by the Board. Provided, however, the District General Manager or Board Designee shall obtain advance Finance Committee or Board approval prior to making any specific expenditure that exceeds \$20,000.00 in value.
- 4.3. Finance Committee.** The Finance Committee shall have authority to approve expenditures within the specified budgetary line-item limits adopted by the Board with a total cost of over \$20,000.00 and under \$50,000.00.
- 4.4. Purchases Made Using a Bid Exemption.** Purchases made using a Bid Exemption shall require formal action of the Board of Commissioners in the form of a Resolution approving use of the Bid Exemption.
- 4.5. Non-Budgeted Purchases.** Purchases of goods or services outside of budgetary limits shall require approval by the Board of Commissioners.
- 4.6. Emergency Purchases.** In the event of an emergency the District General Manager or Board Designee, may approve a purchase outside of the budget if it is not feasible to obtain approval of the Board of Commissioners or Finance Committee, but not in excess of \$20,000.00. The Finance Committee may authorize purchases in excess of \$20,000.00 when prior Board approval is not feasible. All emergency purchases shall be ratified by appropriate Board action within 30 days of the purchase.

5.0 PURCHASE OF MATERIALS, EQUIPMENT AND SUPPLIES

- 5.1. Purchases under \$40,000.** No statutory process requirements. Staff shall use commercially reasonable means to make such purchases. Staff is encouraged to obtain multiple quotes for purchases to document that the District is receiving the best possible price.

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- 5.2. **Purchases over \$40,000 and under \$50,000.** Purchases must be made by using a Vendor List procedure, Designated Purchasing Cooperatives, or through a Cooperative Purchase or Bid Exemption, if applicable. If purchase cannot be made through the District's Vendor List, Designated Purchasing Cooperative, Cooperative Purchase or Bid Exemption, the purchase must be made through competitive bidding procedures as if purchase price exceeded \$50,000.
- 5.3. **Purchases over \$50,000.** Formal sealed bidding procedure must be used unless purchase can be made through a Designated Purchasing Cooperative, Cooperative Purchase or Bid Exemption.

6.0 PUBLIC WORKS

- 6.1. **Public Works projects under \$20,000.** No statutory bidding procedures required. Staff shall use commercially reasonable means to contract for such limited public works projects (RCW 35.61.135).
- 6.2. **Public Works projects from \$20,000 - \$350,000.** The District shall establish and use the MRSC Rosters Small Works Roster or a Formal Sealed bidding procedure.
- 6.3. **Public Works projects over \$350,000.** Formal Sealed bidding shall be used except in case of an emergency.
- 6.4. **Direct Contracting under the Small Works Roster for projects estimated to cost under \$150,000:**
 - 6.4.1. The District may seek quotes from all eligible contractors that have expressed interest in working in the District's geographical area. **Or**
 - 6.4.2. Use Direct Contracting.
 - (a). The District shall follow its Small Business Utilization Plan when using Direct Contracting.
 - (b). If there are six or more contractors meeting the definition of small, minority, women or veteran owned businesses on the roster, the District may directly contract with one of those small businesses that have indicated interest in performing work in the District's geographical area.
 - (c). The District shall rotate through the eligible contractors and shall, when qualified contractors are available from the roster who may perform the work or deliver the services within the budget described in the notice or request for proposals, use different contractors on different projects.
 - (d). If there are five or less contractors meeting the definition of small business on the roster, the District may direct contract with any of those small businesses that have indicated interest in performing work in your geographical area.

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- (e). Under both of the above procedures the District shall notify all small, minority, women or veteran owned businesses on the District's roster you the District is using direct contracting.

7.0 SERVICES – Architect and Engineer.

The District is a member of the MRSC Rosters consultant roster and shall use the Statements of Qualifications submitted to MRSC Rosters to select a qualified architect, engineer or land surveyor.

8.0 SERVICES – Telecommunications and Data Processing

If the purchase cannot be made through a Designated Purchasing Cooperative, Cooperative Purchase or Bid Exemption the District shall use the competitive negotiation procedures established under RCW 39.04.270 when purchasing telecommunication and data processing services.

9.0 PURCHASING RECREATION SERVICES FROM INDEPENDENT CONTRACTORS

Purchasing services from instructors, teachers, artists and other independent contractors engaged to teach classes, seminars, or programs as part of a District sponsored program have unique characteristics. Customer preference, teaching method, personality of the instructor, teacher or artist greatly influences the customer and their willingness to enroll in a class or seminar and pay the requisite fees. Consequently, in the acquisition of these and similar services, there is no requirement for bidding or quotation unless the purchase price/acquisition cost exceeds \$50,000 in a calendar year.

10.0 SERVICES – OTHER

No statutory procedures are required. District staff shall use commercially reasonable means to identify and contract with service providers.

11.0 FORMAL SEALED BIDDING PROCEDURES.

- 11.1. **Notice.** Written Notice for competitively bid contracts and purchases shall be published in a general circulation newspaper within the District at least 13 days in advance of the bid opening. Advertisements for bids should include the following minimum items:
 - 11.1.1. Title of the project.
 - 11.1.2. Nature and scope of the work.
 - 11.1.3. Where contract documents (plans, specifications) may be obtained.
 - 11.1.4. Cost to obtain a set of contract documents.
 - 11.1.5. Place, date, and time that bids are due.
 - 11.1.6. District contact information.
 - 11.1.7. Statements that the District retains the right to reject any or all bids, and to waive minor irregularities in the bidding process
- 11.2. **Instructions to Bidders.** Instructions to Bidders shall include a complete description of the legal requirements to submit a bid.
- 11.3. **Bid Specifications.** Bid specifications should incorporate a clear and accurate description of the technical requirements for the material, product, or service to be purchased. Such descriptions should not contain features that unduly restrict competition but should be designed to meet the needs of the District.

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- 11.4. Award.** The contract should be awarded to the lowest responsive and Lowest Responsible Bidder whose bid meets the requirements and criteria included in the invitation for bids and bid specifications.
- 11.5. Cancellation.** An invitation for bids may be cancelled. Additionally, the District (at its sole discretion) may choose to reject any or all bids, in whole or in part. An invitation for bids may be canceled at the discretion of the District General Manager or Board Designee.

12.0 WRITTEN CONTRACTS / WHEN REQUIRED

- 12.1.** A written contract is required for the following types of purchases.
- 12.1.1.** All lease or rental agreements for equipment or real property
 - 12.1.2.** All intergovernmental agreements
 - 12.1.3.** All services with the exception of minor services such as repairs, etc., where academic credentials or professional expertise are not required.
 - 12.1.4.** Cooperative purchasing agreements.
 - 12.1.5.** Maintenance and licensing agreements (except licenses and/or maintenance agreements for standardized, non-customized, software or hardware).
 - 12.1.6.** Written Contract Required for Purchase of Equipment, Materials and Supplies with a cost over \$20,000.
 - 12.1.7.** Other contracts/agreements deemed necessary by the Board.

13.0 RECORDS MANAGEMENT

- 13.1.** The District General Manager or his or designee shall maintain records of all contracts awarded and all contractor/consultants contacted in the process.

14.0 UNAUTHORIZED PURCHASES

- 14.1.** No District employee should purchase or contract for any supplies, material, equipment or contractual service or make any contract within the purview of this policy other than through the District General Manager or Board Designee. Should a District employee violate this trust, and the District experiences a financial loss, then the District shall be entitled to recover the full amount of such loss from the employee and may terminate employment.

15.0 ISSUANCE, USE AND CONTROL OF CREDIT CARDS

- 15.1.** The District has the authority under RCW 42.24.115 and RCW 43.09.2855, to establish a credit card account and the issuance of credit cards. The credit limit per card shall be established by the issuing bank and shall not exceed \$5,000 per card.
- 15.2.** The District recognizes that the responsible use of credit cards is a customary and an efficient means of purchasing goods and services for official District business. Credit cards

provide a convenient tool for timely purchases, especially for travel, training, emergency repairs, and online transactions where vendor billing is impractical.

15.3. Administration and Oversight

15.3.1. District General Manager (DGM): The District General Manager is responsible for implementing and enforcing this policy, approving the issuance of all credit cards, and authorizing purchasing limits.

15.3.2. District Clerk (Credit Card Administrator): The District Clerk shall serve as the Credit Card Administrator, responsible for:

- Maintaining account records and documentation for all cardholders.
- Reconciling statements and preparing monthly payment packets.
- Conducting annual card inventory and ensuring all active cards are accounted for.
- Providing an annual report to the General Manager and Board on card activity, limits, and compliance.

15.4. Issuance and Application Process - Employees requiring a District credit card must

- Complete a District Credit Card Application (Exhibit A) and User Agreement (Exhibit B)
- Obtain approval from their supervisor and the District General Manager
- Return the signed application to the District Clerk for processing with the issuing bank.
- Activate and safeguard the card upon receipt.

The District Clerk shall retain a copy of all applications and user agreements in the District's files.

15.5. Authorized Uses – District credit cards may be used only for official District business, consistent with adopted budgets and purchasing policies. Authorized uses include, but are not limited to:

- Registration fees, training, or conference expenses.
- Lodging and travel expenses (consistent with the District's travel policy).
- Online or emergency purchases of supplies, parts, and materials.
- Equipment and service expenses related to pool operations.
- Utility, subscription, or membership payments approved by the General Manager.

All purchases must be within budgeted appropriations and supported by itemized receipts identifying the goods or services purchased.

15.6. Disallowed Uses – District credit cards shall not be used for:

- Personal or non-District expenditures.
- Cash advances or ATM withdrawals.
- Alcoholic beverages, gift cards, or gratuities unrelated to District business.
- Capital equipment purchases without prior District GM approval.
- Vendor charges lacking itemized receipts or sufficient documentation.

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15.7. If an employee inadvertently makes an unauthorized charge, reimbursement must be made immediately by check or payroll deduction together with any interest accrued on the charge. Repeated misuse may result in card revocation and disciplinary action up to and including termination.

15.8. Credit Limits - Credit limits shall be set by the District General Manager for limits set below \$5,000 (see 15.1). Temporary limit increases for specific purchases or travel may be approved in writing by the District General Manager and documented by the District Clerk. The District Clerk will maintain a current list of all cardholders and authorized limits.

15.9. Receipt and Reconciliation – Cardholders must:

- Retain all original, itemized receipts and supporting documentation.
- Submit a completed Credit Card Expense Report with receipts by the 5th of each month to the District Clerk.
- Verify the accuracy of posted transactions and immediately report discrepancies.

The District Clerk shall review all submissions for accuracy and completeness prior to processing monthly payment to the issuing bank. No interest or late fees shall accrue; all balances must be paid in full monthly.

15.10. Card security and Lost or Stolen Cards - Cardholders are personally responsible for the physical security of their card. If a card is lost or stolen, the cardholder shall immediately notify:

- The issuing bank (U.S. Bank Customer Service – 1-800-344-5696)
- The District Clerk (Credit Card Administrator)
- The District General Manager

A replacement card will be issued following confirmation of cancellation. Cardholders remain responsible for all charges incurred until the loss is reported.

15.11. Separation of Employment or Extended Leave - All District credit cards must be returned to the District Clerk upon:

- Termination, resignation, or reassignment of the employee.
- Extended leave or suspension from purchasing duties.

Failure to return a card promptly may result in disciplinary action or payroll deduction for any unauthorized charges.

15.12. Auditing and Enforcement – All credit card transactions are subject to audit by the District Clerk, District General Manager, and the State Auditor’s Office. Violations of this policy may result in:

- Revocation of credit card privileges.
- Disciplinary action, up to and including termination.
- Legal action for recovery of misused funds.

The District General Manager may suspend or cancel any credit card for non-compliance or for failure to submit complete reconciliations on time.

15.13. Annual Reporting and Review - The District Clerk shall provide an annual report to the Board of Commissioners summarizing:

- Total number of active cards and assigned limits.
- Total annual spending by category.
- Any instances of misuse or loss.
- Results of annual physical inventory and reconciliation.

This policy shall be reviewed at least once every three years or sooner if required by law or auditor recommendation.

15.14. References:

- RCW 43.09.2855 – Local government use of credit cards.
- RCW 42.24.115 – Municipal officer’s authority to use charge cards.
- SAO BARS Manual 3.8.5 – Purchasing Cards.
- District Policy #230 – Signature Authority.
- District Policy #320 – Admissions and Refunds

Exhibit A – Credit Card Application Form

Employee Information

Name: _____

Position Title: _____

Department/Program Area: _____

Work Phone: _____

Email: _____

Card Request Information

Monthly Credit Limit: _____

Single Transaction Limit: _____

Purpose of Card Usage:

Operational Purchases Travel/Training Supplies Emergency Use

Other (describe): _____

Acknowledgments

1. I have read and understand **Policy #355 – Credit Card Use and Administration**.
2. I agree to use the District’s credit card solely for **official business purposes** in accordance with the policy.
3. I understand that misuse of the card may result in **disciplinary action, repayment of unauthorized charges, and/or termination**.
4. I agree to **return the card immediately** upon termination, transfer, or at the request of the District General Manager or District Clerk.

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Applicant Signature: _____ **Date:** _____

Supervisor Approval: _____ **Date:** _____

General Manager Approval: _____ **Date:** _____

For Administrative Use Only

Credit Card Administrator (District Clerk)	Date Processed	Card Number (Last 4)	Activation Date

Exhibit B – Credit Card User Agreement

Employee Responsibilities

As a Des Moines Pool Metropolitan Park District cardholder, I understand and agree to the following:

1. **Official Use Only:**

The District credit card is to be used **only for authorized District business**. Personal use is strictly prohibited.

2. **Accountability:**

I am the **sole authorized user** of the card assigned to me. I will safeguard the card and all related account information.

3. **Documentation:**

I will obtain **itemized receipts** for all purchases, reconcile my account monthly, and submit all receipts and reports to the District Clerk by the 5th of each month.

4. **Security:**

I will keep the card in a secure location and **report any loss or theft immediately** to U.S. Bank (1-800-344-5696) and the District Clerk.

5. **Unauthorized Charges:**

I understand that any unapproved or personal charges are my financial responsibility and must be reimbursed immediately by personal check or payroll deduction.

6. **Audit and Compliance:**

I agree to cooperate fully with any internal or external audit and to produce the card, receipts, or other documentation when requested.

7. **Termination or Reassignment:**

Upon separation from the District or change in duties, I will return the card to the **District Clerk** immediately. I understand that failure to do so may result in payroll deduction for any outstanding or disputed charges.

8. **Policy Violations:**

Misuse of the card may result in **revocation of privileges, disciplinary action (up to termination), and/or legal action** for recovery of misused funds.

Acknowledgment and Agreement

By signing below, I acknowledge that I have read and understand **Policy #355 – Credit Card Use and Administration**, and agree to abide by its provisions and all related District procedures.

Cardholder Name (Print): _____

Signature: _____ **Date:** _____

Card Number (Last 4 Digits): _____

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District Clerk (Administrator): _____ **Date Issued:** _____

Return this signed form to the District Clerk prior to card issuance.
