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| SUBJECT Procurement | CHAPTER 01 | SECTION 06 | SUBJECT 01 |
| CHAPTER Administrative | | SECTION Provider Network | |
| WRITTEN BY Jeff De Lay | REVIEWED BY Richard Carpenter | | AUTHORIZED BY PIHP Board |

I. APPLICATION:

- PIHP Board
 CMH Providers
 SUD Providers
 PIHP Staff
 CMH Subcontractors

II. POLICY STATEMENT:

It is the policy of Region 10 that all procurement will be conducted in a fair treatment for those involved in Region 10 procurement—the process for buying, purchasing, renting, leasing, or other acquisition—of supplies and services. Region 10 shall maximize the quality and quantity of what Region 10 purchases with public funds and safeguard Region 10’s purchasing system.

III. DEFINITIONS: N/A

IV. STANDARDS: N/A

V. PROCEDURES:

CFO, CONTRACTS, GENERAL PROCEDURE

A. **Purchasing Responsibilities**

1. All purchases (regardless of the method of payment) must be: a) properly authorized (by a department head or designee; b) adequately documented (using such forms as may be approved by the CFO); c) within the approved budget as adopted by the Board; d) reasonable/appropriate under the circumstances. The Chief Financial Officer (CFO) or designee is primarily responsible for overseeing the purchase of supplies and services, managing supplies and services, and disposing of supplies and services for Region 10.

B. **Types of Purchases**

All purchases of goods or services shall be conducted in a manner providing full and open competition.

1. For small purchases (i.e., less than \$5,000) this may be accomplished informally by comparing the advertised prices from at least three (3) vendors. Contracts may not be artificially divided to make their prices less than \$5,000.

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2. Formal competitive bidding procedures are required for all purchases of goods or services with a cost of \$5,000 or more. Bids may be solicited by the requesting department or the CFO. The CFO will award businesses offering the lowest reasonable and acceptable quotation. The names of the businesses submitting quotations, and the date and amount of each quotation, will be recorded by the CFO or and maintained as a public record.
3. For purchases with a cost between \$5,000 and \$25,000, three (3) bids may be solicited by telephone or advertisement
4. Purchases with a cost of \$25,000 or more require three (3) written bids. The CEO shall approve all purchases with a cost of \$25,000 or more.
5. Purchases with a cost of \$100,000 or more require three (3) sealed bids.
6. Single Source Purchases
 - At the discretion of the CFO or designee, and after the CFO or department head conducts a good faith review of available sources and determines that only one source for the required supply or service is reasonably available, a single source purchase may be made. The CFO or designee will negotiate all terms of the purchase. A written record will document the single source purchase, the basis for the single source purchase, the contractor's name, the amount and type of the contract, and the supplies or services purchased. This record will be a public record.
7. Emergency Purchases
 - The CEO or CFO may make or authorize others to make emergency purchases of supplies or services if there is a threat to public health, welfare, or safety. Emergency purchases will be made with as much competition as possible. Within a reasonable time, the CEO or CFO will document, in writing, the basis of the emergency and the reason the CEO or CFO chose a particular contractor. A written record of emergency purchases will be made and must indicate the contractor's name, the amount and type of the contract, and each supply or service purchased.

C. Board Approval

The Board must approve all contracts over \$100,000.00 prior to award unless determined to be an Emergency Purchase, in which case approval will be requested at the next Board meeting. Contracts specifically identified in the budget are considered approved in conjunction with budget approval.

VI. EXHIBITS: N/A