

<b><i>DIRECT PAY PURCHASES</i></b>	<b>PROCEDURE</b>	
	<b>Document Number:</b>	FRS-PR-027
	<b>Version Number:</b>	02

### **1.0 Purpose:**

To establish the authority for Department Managers to select vendors and make purchases of an ongoing nature in those cases where the established procurement process brings no additional value to the procurement.

### **2.0 Scope:**

Department Managers may select vendors in those cases where a competitive procurement process will have no impact on the price of the goods or services needed and the total value does not exceed \$1,000.00. Additionally, the listing of goods and services included in Section 4.2 below may be paid directly in any dollar amount.

Payments for expenses covered by this procedure will be consistent with other approved policies and approved budgets.

### **3.0 Responsibilities:**

N/A

### **4.0 Procedure:**

4.1 The Purchasing and Materials Manager and the Disbursements Manager will monitor this process to assure that these purchases adhere to the requirements of this procedure and required documentation is maintained. Additionally, the Purchasing and Materials Manager shall respond to inquiries as they relate to types of purchases covered by this procedure.

4.2 The following goods and services shall be paid for directly regardless of dollar amount. This list is not intended to be complete or exclusive, rather an example of the types of purchases that are covered by this procedure. Questions as to whether a particular type of purchase is covered by this procedure should be forwarded to the Purchasing and Materials Manager.

4.2.1 Publication of notices (as distinguished from media-type advertising)

4.2.2 Oral board and meal expenses

4.2.3 Utility, pager, garbage and trash expenses

4.2.4 Business calls made from employees' personal cellular phones

4.2.5 Arbitration fees and expenses

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- 4.2.6 Books, magazines and subscriptions
- 4.2.7 Educational courses, instructor payments not to exceed \$500 per year
- 4.2.8 Individual, departmental or organizational memberships in professional organizations
- 4.2.9 Labor contract negotiation expenses
- 4.2.10 Mandatory payments to other governmental agencies
- 4.2.11 Freight bills
- 4.2.12 Payroll related costs, PERS, credit union, Insurance, Etc.
- 4.2.13 Postage, UPS, overnight mail, Etc.
- 4.2.14 Payments required by court order
- 4.2.15 Payments to outside legal counsel when General Counsel has approved scopes of work and hourly rates in writing
- 4.2.16 Employee recognition expenses
- 4.2.17 Food expenses for Board of Director and Board Committee meetings
- 4.2.18 Facilities use agreements
- 4.2.19 Permit fees

**5.0 Definitions:**

N/A

**6.0 Records:**

N/A

**7.0 Appendices:**

N/A

**8.0 Training Requirements:**

N/A

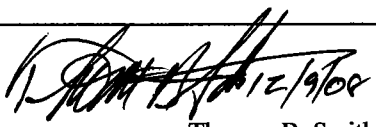
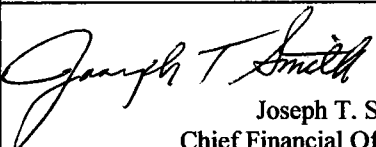
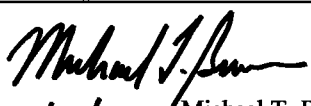
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**9.0 Summary of Changes:**

- 9.1 Amending the wording of Section 2.0 to increase the not to exceed amount to \$1,000.00 and add wording to clarify the limits of Section 4.2.
- 9.2 Amend the wording of Section 4.2 to allow unlimited payments of the items listed in the section.
- 9.3 Update Sections 4.2.1 through 4.2.19 to add and delete examples of direct pay items.

**10.0 Approval Information:**

<i>Prepared by</i>	<i>Reviewed by</i>	<i>Approved by</i>
 Thomas B. Smith Purchasing & Materials Manager	 Joseph T. Smith Chief Financial Officer	 12/18/08 Michael T. Burns General Manager

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