

SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION

CORPORATE POLICY 4.01

PURCHASING POLICY

Chapter: 4.0 – Purchasing & Contracting Policies

Section: 4.01 – Purchasing Policy

Effective Date: April 1, 2011

1.0 PURPOSE

1.1 To establish a policy governing the purchase of supplies, materials and equipment for the CORPORATION.

2.0 EFFECTIVE DATE AND AMENDMENTS

2.1 This Policy shall be effective upon the approval by the BOARD and AGENCY BOARD.

This Policy may only be amended by the approval of the BOARD and AGENCY BOARD.

3.0 PROCEDURES

3.1 The President or his/her designee is authorized to establish and disseminate administrative procedures to implement this BOARD POLICY, as applicable.

4.0 POLICY

4.1 The PRESIDENT or his/her designee shall be responsible for following all policies required by (1) the current best practices, including competitive bidding requirements under the California Public Contract Code, (2) the OPERATING AGREEMENT and BYLAWS, (3) APPROVED CORPORATION and PROJECT BUDGETS, and (4) other applicable California State and Redevelopment laws when purchasing supplies, materials and equipment.

4.2 The PRESIDENT or his/her designee shall oversee the day-to-day implementation of the purchasing policy, and supervise and provide guidance to the CORPORATION's department leaders and staff with respect to the purchasing policy by developing a purchasing procedure.

4.3 The BOARD shall review annually the purchasing policy to determine whether legal or other requirements warrant any amendments thereto.

4.4 When supplies, materials or equipment are to be purchased, the purchasing manager shall proceed as follows:

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- 4.4.1 All purchases must be pre-approved by a manager or supervisor and handled according to the procedures outlined by the Chief Financial Officer. Corporate expenditures of \$100 or more require a purchase order and must be preapproved by the PRESIDENT.
- 4.4.2 The PRESIDENT is authorized to sign CORPORATION purchase orders to one vendor for the purchase of materials, supplies or equipment without further approval of the BOARD, up to and including an amount of twenty-five thousand dollars (\$25,000).
- 4.4.3 All CORPORATION purchases or series of purchases to one vendor that exceed a cumulative amount of twenty-five thousand dollars (\$25,000) in any given fiscal year will require approval by the BOARD prior to execution of contract(s), agreement(s), or purchase order(s).
- 4.4.4 All purchase orders shall be for goods and services in amounts consistent with the APPROVED CORPORATION BUDGET.
- 4.5 SOLE SOURCE - In an effort to procure supplies, materials and equipment for the CORPORATION, situations may arise that require "Sole Source" procurement, where additional bids, although required by CORPORATION policy and state or local law, cannot be obtained. In an effort to reduce costs, adhere to audit requirements, and comply with state or local law, all Sole Source purchases shall be in accordance with this Board Policy. Final determination as to what may be classified as "Sole Source" shall be at the discretion of the PRESIDENT. The purchase of supplies, materials and equipment can be deemed "Sole Source" for any of the following reasons:
 - 4.5.1 Timing
 - 4.5.2 Budget
 - 4.5.3 Uniqueness
 - 4.5.4 Resource constraints