


City of SeaTac

Policies and Procedures

Policy Number:	CW-010
Policy Name:	Purchasing and Contracting Authority, and Contract Routing
Department(s):	Citywide
Effective Date:	09/14/15
Supersedes:	06/25/12
Prepared by:	Kristina Gregg, City Clerk / Aaron Antin, Finance & Systems Director
Approved by:	Todd Cutts, City Manager
Signature:	

Purpose: To prescribe purchasing and contracting procedures.

Policy: All departments will follow these procedures to ensure purchases and contracts / agreements are approved and routed per City policy. *The breaking down of any purchase or contract into units or phases for the purpose of avoiding the maximum dollar amount of the purchase or contract is prohibited.*

Purchasing and Contracting Authority:

Unless a budget amendment is required:

1. \$15,000 and under: Department Directors have the authority to approve/sign.
2. \$15,000.01 to \$50,000: City Manager approval/signature is required.
3. \$50,000.01 and over: City Council approval and City Manager signature is required.

The City Clerk's Office will provide a printed summary of contracts to the City Manager on a monthly basis.

Procedures:

Purchasing approvals and routing requirements:

All City purchases except advertising, memberships and contracts (see separate portion of this policy for contract routing procedure) will require the prior authorization of a purchase order or a personnel expenditure reimbursement form that has been properly authorized and approved. For travel and training related purchases, refer to the City's separate travel and training policies. Non-compliance with this policy may result in disciplinary action up to and including termination of employment. Unless an emergency situation exists, the following approval authorizations must be obtained for purchases:

1. \$15,000 and under: These items must be approved and signed by the Department Director. Adherence to credit card, purchase order, invoicing, competitive bidding, and other applicable policies and Revised Code of Washington (RCW's) are still required for all purchases. Approval and pre-approval of purchases are to be in accordance with all city and state purchasing policies and laws.
2. \$15,000.01 to \$50,000: In addition to meeting the normal purchasing requirements, the approved purchase order will be used to generate an invoice, which would follow the established process for invoice authorization, claim vouchers, check generation and payment processing.

3. \$50,000.01 and over: Requires City Council approval. Present an agenda bill with a copy of the competitive bid and purchasing RCW compliance documentation applicable to the purchase being made to Council at a Council Study Session (CSS) and Regular Council Meeting (RCM) for approval. *The department will retain the original documentation for routing after approval. (See Council Meetings, and Agenda Bill Process for additional information.)*

Contracts/Agreements:

Contract Routing form is located at

Z:\InterDepartment\Forms_Information\SharedForms\ContractRoutingSlip.lnk

1. \$15,000 and under:

Option 1 – Vendor signs first

Department(s)

- Make at least 2 original contracts (be sure all blanks in the contract are filled in, especially dates and contract amounts)
- Route the 2 original contracts to the vendor for signature
- Get the routing slip from the City Manager’s Executive Assistant and fill it out completely
- When the contracts have been returned from the vendor, attach the routing slip to the 2 original contracts and route them to the Legal Department

Legal Department

- “Approve as to form”
- Make 2 copies of the routing slip – 1 for Legal Dept. and 1 for City Clerk
- Route the original routing slip and 2 contracts to the Department

Department(s)

- Director – Sign the two original agreements
- Route the original routing slip and 1 original contract to the City Clerk’s Office
- Return one original contract to the vendor

If the department chooses to sign first, the following process will be followed:

Option 2 – Vendor signs last

Department(s)

- Make at least 2 original contracts (be sure all blanks in the contract are filled in, especially dates and contract amounts)
- Get the routing slip from the City Manager’s Executive Assistant and fill it out completely
- Attach the routing slip to the 2 original contracts and route them to the Legal Department

Legal Department

- “Approve as to form”
- Make 2 copies of the routing slip – 1 for Legal Dept. and 1 for City Clerk
- Route the original routing slip and 2 agreements to the Department

Department(s)

- Director – Sign the two original agreements
- Retain the original routing slip
- Route the 2 original contracts to the vendor for signature, asking them to return only 1 original contract to the City (directly to the department)
- Route original routing slip and original agreement to the City Clerk’s Office

2. \$15,000.01 to \$50,000, and

3. \$50,000.01 and over:

Option 1 – Vendor signs first

Department(s)

- *This section only pertains to purchases over \$50,000.01:* Present an agenda bill with a **copy** of the contract attached, to Council at a CSS and RCM for approval. *The department will retain the original for routing after approval. (See Council Meetings, and Agenda Bill Process for additional information.)*
- Make at least 2 original contracts (be sure all blanks in the contract are filled in, especially dates and contract amounts)
- Route the 2 original contracts to the vendor for signature
- Get the routing slip from the City Manager's Executive Assistant and fill it out completely
- When the contracts have been returned from the vendor, attach the routing slip to the 2 original contracts and route them to the Legal Department

Legal Department

- "Approve as to form"
- Make 2 copies of the routing slip – 1 for Legal Dept. and 1 for City Clerk
- Route the original routing slip and 2 contracts to the City Manager's Executive Assistant

City Manager's Office

- Executive Assistant – update log and give to City Manager for signature
- City Manager – sign
- Executive Assistant – route documents back to the department

Department(s)

- Route original routing slip and 1 original contract to the City Clerk's Office
- Return one original contract to the vendor

Option 2 – Vendor signs last

Department(s)

- *This section only pertains to purchases over \$50,000.01:* Present an agenda bill with a copy of the contract attached, to Council at a CSS and RCM for approval. *The department will retain the original for routing after approval. (See Council Meetings, and Agenda Bill Process for additional information.)*
- Make at least 2 original contracts (be sure all blanks in the contract are filled in, especially dates and contract amounts)
- Get the routing slip from the City Manager's Executive Assistant and fill it out completely
- Attach the routing slip to the 2 original contracts and route them to the Legal Department

Legal Department

- "Approve as to form"
- Make 2 copies of the routing slip – 1 for Legal Dept. and 1 for City Clerk
- Route original routing slip and 2 contracts to the City Manager's Executive Assistant

City Manager's Office

- Executive Assistant – update log and give to City Manager for signature
- City Manager – sign
- Executive Assistant – route documents back to the department

Department(s)

- Retain the original routing slip
- Route the 2 original contracts to the vendor for signature, asking them to return only 1 original to the City
- When the contracts have been returned from the vendor, route the original routing slip and original agreement to the City Clerk's Office