

RURAL WATER DISTRICT No. 4
Douglas County, Kansas

POLICY NO: 4

TITLE: Purchasing Procedures

Rationale:

The purchasing procedure for RWD4 will ensure:

- Board and employee accountability to patrons of the District
- Continuous supply of materials and equipment to support RWD4 with minimum inventory but adequate to meet needs and generate economic advantage.
- Minimal duplication, waste and obsolescence of material and equipment.
- Acquisition of materials and equipment at the lowest cost consistent with required quality and service; and
- Maintenance of maximum efficiency at all times.

Procedures:

The following guidelines will direct the purchasing and bidding procedures of RWD No.4 The Board retains authority for final approval of all purchases.

1. Payment of Bills – Bills will be recommended for payment by the District Clerk and approved by the District Administrator. Each check with a total of over 1,000. must bear two signatures. Those eligible to sign checks are Board President, Board Treasurer and the Board Administrator.
2. Purchase Orders – A purchase order will be prepared for each purchase prior to the initiation of that purchase. Exception items necessary for completion of current project where acquisition of a PO would unnecessarily delay the completion of the project. Purchase orders will be:
 - a. Sequentially numbered
 - b. Approved by the District Administrator prior to purchase of any new item
 - c. Completed in triplicate with copies for the vendor the originator of the PO and the District
3. Bidding – The purchase of any item or collection of items, estimated to exceed \$5,000. Shall be submitted for written bids. Items of less value will be submitted for informal bids when it is reasonable prudent to do so.
 - a. The District Administrator, or his/her designee, shall secure a minimum of three bids, when possible for Board consideration.
 - b. The Board will accept the lowest bid which meets designated specifications and can demonstrate acceptable performance.

4. District Administrator Authorized to Pay Certain Bills – The District Administrator shall be authorized to pay the following bills without Board approval.
 - a. Utilities
 - b. The purchase of materials needed for emergency repairs from the District Administrator should be sought whenever possible.
 - c. Bills less than \$1,000.00 that need to be paid (such as contracted services for lawn mowing) prior to Board meeting. These bills should be approved by the District Administrator and should be kept to a minimum and
 - d. Recurring bills that have been pre-approved by the Board

5. Work Orders – Work orders for contract labor, shall be completed and submitted to the District Administrator for approval prior to work which requires commitment of District funds other than contracted employee salaries. Exception: emergency situations may arise in which it is prudent for a District employee, using his/her own good judgment, to complete a work order without prior approval.

Approved: 1999
Amended: 2002
Updated 10-25-07