



REFERENCE GUIDE

Procurement

FORM AUD-RG-03
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How to buy goods and services for the County— what approval each purchase needs, when a purchase order or competitive bid is required, and how procurement connects to the P-Card and reimbursement processes.

Purpose

This reference guide explains how Washington County employees should purchase supplies, equipment, and services so that every purchase is properly authorized, competitively priced where required, and fully documented. Keep it at your desk — refer to it before you commit County funds, sign a contract, or place an order.

This reference guide does not replace or supersede the County's Policies and Procedures Manual (County P&P) or Title 1, Chapter 12 of the County Code (County Purchasing Ordinance) or applicable state law. This guide is based primarily upon: § IX-V of the County P&P (Procurement Policy), the County Purchasing Ordinance, and the Utah Procurement Code (Utah Code Title 63G, Chapter 6a).

1. Before You Buy: Three Questions

Most purchasing mistakes come from skipping one of these. Ask them before you place any order:

1. **Is it budgeted?** Confirm the expense fits your department's approved budget and the correct GL account before committing funds. If you are unsure of the account, contact the Auditor's Office.
2. **What is the total dollar amount?** The total cost of the purchase determines the approval level and whether a purchase order or competitive bid is required (see Section 2). Look at the full cost — you cannot split one purchase into smaller pieces to stay under a threshold.
3. **How will it be paid?** P-Card, purchase order, or out-of-pocket reimbursement. Whatever the method, the purchase must still satisfy the procurement rules below (see Section 5).

2. Purchasing Thresholds: Who Approves What

Per the County P&P, § IX-V, the dollar amount of a purchase determines the approval it needs. The thresholds apply to supplies, equipment, or services:

Purchase Amount	What's Required	Who Approves
Under \$10,000	Department determines the purchase. No purchase order or Commission action required by this threshold.	Department Head
\$10,000 – \$49,999.99	A purchase order must be submitted to the Purchasing Agent AND receive Commission approval BEFORE the purchase is made.	Purchasing Agent + County Commission
\$50,000 and over	Formal competitive bidding is required, unless an exception applies under the County Purchasing Ordinance.	Formal bid process (per County Purchasing Ordinance)

Do not split purchases to avoid a threshold. Breaking one purchase into several smaller orders to stay under \$10,000 or \$50,000 — sometimes called “bid splitting” or “fragmenting” — is a procurement violation. Evaluate the purchase at its true total cost.

3. Purchase Orders (\$10,000 – \$49,999.99 Tier)

When a purchase falls in the middle tier, a purchase order (PO) is the control that documents authorization **before** the money is spent. The key word is before. The following steps should be followed:

1. Identify the need and confirm the budget and GL account.
2. Submit the purchase order to the Purchasing Agent in the Clerk/Auditor's Office for review.
3. Obtain County Commission approval before the purchase is made. The PO is not valid authorization until the Commission has approved it.
4. Place the order, then retain the approved PO, the vendor invoice, and proof of receipt together for reconciliation and audit.

A purchase order obtained after the purchase does not satisfy the advance-approval requirement (Washington County Code § 1-12-5(C)(2)). If a required purchase order was not obtained, contact the Auditor's Office promptly.

4. Competitive Bidding (\$50,000 and Over)

Purchases of \$50,000 or more require formal competitive bidding under the County Purchasing Ordinance, unless a specific exception in the Ordinance applies. Competitive bidding protects the County and the public by ensuring large expenditures are awarded fairly and at a defensible price.

Because the bidding rules, exceptions, and award procedures live in the County Purchasing Ordinance and the Utah Procurement Code rather than the County P&P, engage the Purchasing Agent early on any purchase that may reach this level. A few of the situations that the Purchasing Ordinance addresses include the following:

- Sealed bids or requests for proposals (RFP) for large goods or service contracts.
- Sole-source purchases, where only one vendor can reasonably provide the item or service.
- Cooperative or “piggyback” contracts, where the County buys off an existing state or cooperative contract that was already competitively bid.
- Emergency procurements, where an urgent threat to health, safety, or property justifies expedited purchasing.

Whether an exception to the competitive bidding process applies is a determination made by the Auditor’s Office (through the Purchasing Agent, per County Code § 1-12-4) — not the buying department. The Auditor’s Office must confirm, in writing, that an exception applies before a department may rely upon it.

5. Procurement vs. Payment: They Work Together

Procurement is how you are authorized to buy. P-Card and reimbursement are how the purchase gets paid. A purchase must satisfy BOTH — clearing the payment process does not excuse missing a procurement step.

P-Card purchases

Per § IX-W of the County P&P, P-Card use must comply with the Procurement Policy. A P-Card is a payment tool, not a way around the thresholds specified above. If a purchase would require a purchase order or competitive bid, those requirements still apply even if the card could physically cover the charge. For information concerning how to document and reconcile P-Card transactions, see the P-Card Reference Guide (AUD-RG-01).

Reimbursements

Out-of-pocket purchases reimbursed through the Travel & Training Reimbursement Form (Form AUD-TR-01) must also follow procurement rules. Paying for something yourself and seeking reimbursement does not exempt it from approval thresholds. See the Travel & Training Reimbursement Reference Guide (AUD-RG-02) for that process.

Sales tax

Washington County is sales tax-exempt in Utah. Per § IX-W of the County P&P, sales tax should not be paid on County purchases. Present the County’s exemption certificate (the exemption number is printed on the P-Card) before the transaction, and confirm the receipt shows no Utah sales tax.

6. Documentation & Recordkeeping

Clean procurement records are what make an audit straightforward. For every purchase, keep:

- An itemized invoice or receipt showing vendor, date, each item, and the amount paid — not just a card slip or order total.
- The business purpose — why the County needed the item or service.
- The correct GL account coding for the expense.
- For the \$10,000–\$49,999.99 tier: the approved purchase order showing Commission approval before the purchase date.
- For \$50,000 and over: the bid or RFP documentation, or the Purchasing Agent's written determination that an exception applied.
- Confirmation that no Utah sales tax was charged (or the documented reason it could not be avoided).

7. Common Pitfalls to Avoid

- Splitting a purchase into smaller orders to avoid an applicable procurement threshold.
- Making a purchase before obtaining a required purchase order or Commission approval.
- Treating the P-Card or a personal-reimbursement as a way around procurement thresholds.
- Paying Utah sales tax when the County's tax-exempt status should have been used.
- Relying on a sole-source or emergency exception without the Purchasing Agent's written confirmation.
- Failing to keep an itemized receipt or document the business purpose of a purchase.
- Assuming that obtaining a vendor quote satisfies the procurement requirements without first determining whether competitive bidding is required.

8. Violations & the Duty to Report

Procurement violations are serious. Per § IX-V of the County P&P, violating the Procurement Policy could result in disciplinary action up to and including termination, and legal prosecution with the possibility of fines and/or incarceration.

Every employee has a duty to report suspected procurement violations. Report concerns to your department head, elected official, Human Resources, or the County Commission. Concerns about fraud, waste, or abuse can also be reported through the Fraud, Waste, and Abuse reporting tool on the Clerk/Auditor page of the County website. The County complies with Utah Code Title 67, Chapter 21 and protects good-faith reporters from retaliation.

9. Quick Reference

BEFORE YOU BUY

Budgeted? • Correct GL account? • Know the total cost? • Don't split to dodge a threshold.

APPROVAL BY AMOUNT

Under \$10,000: Department Head determines.

\$10,000 – \$49,999.99: Purchase order to Purchasing Agent + Commission approval, in advance.

\$50,000 and over: Formal competitive bidding, unless a Purchasing Ordinance exception applies.

Questions

If you are unsure which threshold applies, whether a purchase needs a purchase order or a bid, what GL account to use, or whether an exception is available, contact the Auditor's Office or the Purchasing Agent before you commit County funds.

Washington County Auditor's Office

Related Documents

The following Auditor's Office documents relate to this guide:

DOCUMENT REGISTER

AUD-RG-01 — P-Card Reference Guide: Travel, Training & Meals

AUD-RG-02 — Travel & Training Reimbursement Reference Guide

AUD-QC-01 — P-Card Quick Card: Travel, Training & Meals

Form AUD-TR-01 — Travel & Training Reimbursement Form

Relevant authorities:

- § IX-V — Procurement Policy (County Policies & Procedures Manual)
- § IX-W — Purchase Cards
- Washington County Code, including the County Purchasing Ordinance
- Utah Procurement Code — Utah Code Title 63G, Chapter 6a

This reference guide is provided for convenience only and as a general reference. It does not replace or supersede any applicable law, ordinance, policy, procedure, or procurement requirement, and it is not intended to identify every requirement that may apply to a particular transaction. In the event of any inconsistency between this reference guide and an applicable governing authority, the governing authority controls. For complete requirements, please refer to the Washington County Policies and Procedures Manual, the Washington County Code, and the Utah Procurement Code (Utah Code § 63G-6a-101 et seq.).