

SALT LAKE COUNTY

COUNTY-WIDE POLICY

ON

**PROCESSING OF ~~UNAUTHORIZED~~ CONTESTED PAYMENTS (CLAIMS) AGAINST THE COUNTY****Purpose -**

The role of the County Purchasing Agent is to be the sole agent of the County to contract for all purchases made in the County, in conformity with County ordinances. As required by County Ordinance 3.29 Other Payment, the Purchasing Agent must forward payment requests to the Mayor for approval. ~~To try to eliminate unauthorized purchases made within the County, the~~ The following procedures will be observed in submitting ~~unauthorized claim~~ contested invoices to Contracts and Procurement for payment approval.

**1.0 Definitions**

- 1.1 Claim- A demand or cause of action presented for money or damages. "Claim" does not mean a routine, uncontested, or regular payment, including a bill, purchase, or payroll. request for payment for goods and services that already have been received without a properly executed bilateral contract or purchase order, and that do not fall under the provision of "Emergency Procurement" or other existing County payment policy. Without other payment, pursuant to ordinance or policy, the payment is not a claim.

**2.0 Policy**

- 2.1 A letter of justification for payment of claims as defined above will be sent to the County Purchasing Agent for his review and recommendation prior to presenting the item to the Mayor for action.

2.2 Approval Criteria

In order to ~~better~~ review and understand each claim payment request, the following must be included in each justification ~~from the requesting agencies~~ letter.

- 2.2.1 An original invoice or verified copy of the original invoice. A properly entered requisition request in the on-line purchasing system.

- ~~2.2.2~~ If the Auditor Mayor's Financial Administration's Office is not in possession of the original invoice, it will be included in the claim package if the department has the original. The Auditor Mayor Financial Administration will pay the claim only from an original invoice upon approval of the Purchasing Agent and the Mayor.
- 2.2.32 A statement explaining in detail the demand or cause of action for money or damages, why the purchase of goods or services were made without a properly executed bilateral contract or a County Purchase Order, and what action has been taken by the Department/Division or Elected Official to ensure future purchases of this nature will not occur.
- 2.2.43 In the case where a Purchase Order was approved but the final cost was over the amount of the purchase order, ~~a claim will be submitted in place of paragraph 2.2.3 above~~, a statement must be included as to why the cost was above the approval amount, citing the prior approval number and amount.
- 2.2.54 The Salt Lake County Facilities Management Division shall review and make recommendations to the County Purchasing Agent on any claims dealing with a ~~budgeted~~ capital improvement, capital maintenance or major maintenance project. A letter of recommendation from Facilities Management Division to the County Purchasing Agent shall contain an account number and requisition number for payment of the claim as provided by the project director. The Project Director shall submit to Facilities Management the necessary invoice, which will be forwarded to the Purchasing Agent for the Mayor's approval.

### 3.0 Review and Recommendations

- 3.1 The Purchasing Agent or his designee, ~~to shall insure~~ ensure all elements of the request are present and will review each request for payment. The Purchasing Agent will then determine from the documentation: if the purchases were in the best interest of the County.
- ~~3.1.1~~ ~~if the purchases were in the best interest of the County, and~~
- ~~3.1.2~~ ~~that there are now proper controls in place to prevent the claim from recurring.~~
- 3.2 The Purchasing Agent will then forward the claim to the Mayor with a recommendation for ~~their~~ action.
- 3.2.1 If approved by the Mayor, the Mayor will instruct the Auditor Mayor Financial Administration to make payment on the claim.

- 3.3 If the Purchasing Agent or the Mayor find that the purchase resulted in the intentional circumvention of ~~prescribed procedures, or is another in a series of such unauthorized procurement evidencing a disregard~~ for established purchasing ordinances and procedures, the request will be returned to the requesting agency without approval.
  - 3.3.1 In that case the person ordering the goods or services will be responsible to the vendor for payment, and/or subject to appropriate disciplinary measures as shown in Salt Lake County Human Resources Policies & Procedures #5702.

APPROVED and PASSED this 18<sup>th</sup> day of September, 2012.

SALT LAKE COUNTY COUNCIL

David Wilde  
David Wilde, Chair

ATTEST:

Sherrie Swensen  
Sherrie Swensen, County Clerk

APPROVED AS TO FORM:

[Signature] 8-31-12  
District Attorney's Office      Date

**SALT LAKE COUNTY  
COUNTY-WIDE POLICY ON**

**PURCHASING COMPUTERS AND OTHER EQUIPMENT LESS THAN THE CAPITALIZATION  
THRESHOLD ON  
COUNTYWIDE CONTRACTS AND COUNTYWIDE  
STATE BLANKET ORDERS**

**Purpose—**

This policy is to define the procedures for purchasing equipment with a total unit cost that is less than the capitalization threshold. This policy is written to describe the policy and procedures to purchase complete personal computer systems less than the capitalization threshold, on established contracts and blanket orders, but may be applied to other equipment such as furniture, office machines, communication equipment, etc. (See Section 3.0 below). Each County organization may contact the authorized county contractor or state contract vendor and place orders for equipment per the guidelines established by this policy and in accordance with the Salt Lake County Purchasing Ordinance — Purchasing Procedures Chapter 3.20 (refer to the Purchasing Intranet homepage), the Salt Lake County Auditor's Accounting & Operations Division Accounting Policies & Procedures (refer to the Auditor Intranet homepage), and the Salt Lake County Information Service's Minimum Configurations for New Computer Purchases (refer to the Information Service Intranet home page).

**1.0 — Policy**

1.1 — Salt Lake County Division of Contracts & Procurement will establish county contracts or countywide state contract blanket orders with approved vendors for the purchasing of approved brands/models of equipment less than the capitalization threshold. County Information Services (I.S.) is responsible for approving acceptable computer brands/models and for establishing the minimum computer configurations that may be purchased by this policy. Exceptions to the approved brands/models and/or minimum configuration must be pre-approved by Information Service prior to being ordered.

1.2 — Equipment purchased under this policy must be less than the current capitalization threshold, per system, and as such, are classified as controlled assets, per Countywide Policy #1125 — Safeguarding Property/ Assets and per section 5.0 of the Auditor's Accounting Policies and Procedures (refer to the Auditor's Intranet homepage). All procedures relating to the organization's responsibility of accounting for and inventorying of these assets must be followed. See additional guidelines under Section 5.0 of the Auditor's Accounting Policies and Procedures. Equipment purchases that exceed the capitalization threshold require a purchase order issued by Contracts and Procurement.

1.3 — All purchases made under this policy will follow the established guidelines for assuring that the County is receiving the lowest possible price for the goods being purchased. Each organization is responsible for contacting the multiple award (MA) state contract vendors per the procedure outlined below in Section 2.1. Each organization is responsible for maintaining a file of competitive quotes from multiple award state contract vendors. This file must be made available upon request and/or during an internal audit.

## 2.0 — Procedure

2.1 — This section outlines the procedure to follow for the purchasing of complete personal computer systems. To determine the total cost of a complete personal computer system, only those items listed in 2.2 and 2.3 should be used to determine that the total cost is less than the capitalization threshold. A complete personal computer system is defined as a CPU, monitor, keyboard, mouse, operating software and internal cards. Peripherals, such as printers, scanners, etc., that are purchased at the same time as the computer system, should not be included in the total cost of a complete computer system. Peripherals may be purchased at the same time as a complete computer system, provided that each peripheral item, to be purchased, does not exceed the capitalization threshold.

The determination as to which manufacturer brand/model to purchase should be made by each organization based upon their specific needs and requirements, within the minimum configuration guidelines found at the Information Service Intranet home page. Once the manufacturer brand/model is selected, orders may be placed per the following procedures and in accordance with this policy:

2.2 — Brand name computer systems purchases, which are approved by I.S. as noted on their intranet page. A brand name computer is defined as a specific brand and model which can be purchased from more than one reseller. Each computer must have a unit cost less than the capitalization threshold. Orders with a total cost between \$1,000.00 and \$10,000.00, require the Organization to contact at least two (2) of the multiple award (MA) state contract vendors for a quote. Each vendor should quote on the identical brand name manufacturer's part numbers. Orders should be placed with the lowest bidder, unless the award is being made upon some other criteria, such as immediate availability or delivery requirements. Each organization will maintain a file for each computer system purchased by this policy. Files must indicate which vendor submitted a bid, their bid price, which vendor was awarded the bid and the method of award. Total orders over \$10,000.00 require that at least three (3) vendors, if available, be contacted for quotes on identical brand name manufacturer's part numbers.

2.3 — Manufacturer's direct computer system purchases which are those approved by I.S. as noted on their intranet page. A manufacturer's direct computer is defined as a specific brand and model which can be purchased from the manufacturer only. Each computer system must have a unit cost less than the capitalization threshold. Orders may be placed with a total cost of any amount directly with the approved manufacturer after receiving a quote from that vendor. Once a quote is received, orders may be placed for the quantity and configuration required. Each organization is required to maintain a file for each computer system purchased. The file should reflect the quantity, configuration, and part number of the equipment purchased under this policy.

2.4 — At the time an order is placed from a statewide blanket, the organization should provide the vendor with the authorized contract or blanket order number delivery order number and valid ship to location.

2.5 — After placing an order for computer systems listed above, the organization is responsible to receive and inspect each system to insure that the computer meets the required specifications, as ordered. The organization shall receive an invoice from the vendor, check said invoice for pricing and quantity accuracy, and enter a release in the purchasing system to authorize payment.

### 3.0 — Responsibility for ensuring that this policy is followed.

3.1 — Organization administrators, in conjunction with organizational fiscal/purchasing personnel, are primarily responsible for ensuring that the personnel within the organization follow this policy.

3.2 — Each approved contract vendor will be given a copy of this policy and asked to ensure that prices are quoted for computer systems with the minimum configurations as set and modified by I.S. Vendors will have the option to establish a web page for configuring, pricing and ordering of complete computer systems for Salt Lake County organizations. Web pages can be used to ensure that the minimum computer configurations are being ordered, at the contract price.

3.3 — The Auditor will review each invoice prior to payment to ensure that each computer system which was ordered and is being requested for payment has a cost of less than the capitalization threshold, per item. All invoices need to reflect the computer system serial numbers. Invoices for equipment, purchased under this policy, with a total cost greater than the capitalization threshold, will be returned to the ordering organization, unpaid, and the entire amount of the invoice must be processed as a claim against the County, following established claim processing procedures. This procedure will help to ensure proper fixed asset management.

3.4 — I.S. will ensure that the minimum computer configurations are being purchased, as the computer systems are setup, installed and/or connected to the network.

3.5 — Contracts and Procurement and the Auditor's Office may randomly select a organization for the purpose of performing an inspection of organization files and records to insure that this policy is being followed.

### 4.0 — Other equipment purchase procedures.

4.1 — Other equipment such as furniture, office equipment, communication equipment, etc. may be purchased by this policy, after proper approval.

4.2 — Orders may be placed, after the necessary approvals, from the established county contracts or countywide state contract blanket orders, in accordance with this policy.

4.3 — Record keeping by the Organization, competitive bidding within the multiple award (MA) contracts and payment of invoices will be handled as established by policy. Additionally, the file maintained by the organization will contain documentation of special committee approval, if required, for each equipment item being purchased.

**7011**

~~APPROVED and PASSED this 13 day of March, 2007.~~

~~SALT LAKE COUNTY COUNCIL~~

~~Mark Crockett, Chair~~

ATTEST:

~~Sherrie Swensen, County Clerk~~

~~APPROVED AS TO FORM:~~

~~District Attorney's Office — Date~~

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**2.0 Policy**

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- 2.2.2 A statement explaining in detail the demand or cause of action for money or damages.
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the cost was above the approval amount, citing the prior approval number and amount.

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