

PURCHASING STUFF



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Here we are, still plugging away. We've had to adapt to a rapidly changing work environment, but you have all done an outstanding job of meeting the ever-growing needs of Utah County! As always, let us know of topics of interest you would like to see in future editions.

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2020-year end reminder

As the current year winds down, please remember that County purchases must be physically received by 31 December 2020 to be charged to 2020 funds. When you authorize payment, please attach proof of delivery to document the delivery date.

All requisitions should be submitted by 11 December to ensure that they are approved, processed and the items delivered by the 31 December deadline.

Keep the following in mind to help make your year-end less stressful and to be able to enjoy the holiday seasons:

Some vendors close down the last two weeks of December. Competition with Holiday shopping can also slow down deliveries. It is also common for items to be out of stock due to year-end rush orders.

People like to take time off in December; please plan accordingly for potential delays in the approval process.

For those of you with purchasing cards, please plan ahead to ensure that your credit limits are sufficient to make your purchases. The credit limits reset on the 15th of the month. If a temporary credit increase is needed, it is recommended that you contact Purchasing ahead of time to set that up. Bear in mind that, per the Purchasing Card Policy, purchases over \$2,500 require an approved P.O. before the purchase is made.

Feel free to give Purchasing a call if you have any questions.

Robert Baxter Tad Rasmussen

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***“Often a sign
of expertise is
noticing what
doesn’t
happen”
– Malcom
Gladwell***

Sole Source—Expanding Your Mind

Every vendor would love to be a monopoly, to be the only source of a product that only they can sell. In reality, although certain vendors may sell products with some unique characteristics, we can usually fill our requirements by looking at other alternatives.

The vendor's goal is to eliminate as much competition as possible, while our goal is to expand competition as much as we can so that we can get the best value possible.

When determining whether something is sole source, we need to look at it from a requirements perspective rather than a specific product perspective. Do we need a Ford F-150 or do we just need a pickup truck that meets certain parameters?

Justifications for a sole source include:

- Compatibility with existing equipment/service
- Product purchased for trial or testing
- Equipment/service available from a single supplier in the U.S.

Be sure to contact Purchasing if you think a vendor qualifies as sole source. To qualify, Purchasing has a form that you will need to fill out and submit for approval.



Contracts to Consider

State Purchasing is always updating their contracts. Some new contract categories to consider are:

PPE Manufacturing

PPE Sourcing

These are two new key word searches to help you find state contract vendors who offer alternatives to obtaining PPE items that are different than you usually find on Staples, Office Depot or Amazon.

If you are having difficulty finding what you need, contact Purchasing and we can help you track down alternative sources and contracts.

How to Make Tax Exempt Purchases



General rule – always take a copy of the County’s tax exempt form with you when shopping. If you do not have a copy, it is on the Purchasing website under tools for county employees, then forms. Make sure to fill in the vendor name and date it. You can also ask Purchasing for a copy of it.

It is your responsibility to check for tax on the receipt. If the vendor charged tax, address it right then.

When shopping online: Use the County’s account that has already been set up. If there is not a County account, follow the vendor’s process to get set up as tax exempt – this needs to be done before the order is placed!

In store: Always check with an employee to see if there is a designated check stand/person who handles tax exempt forms at checkout time. The County has several tax-exempt accounts already set up to make your checkout easier. Always let them know the purchase will be tax-exempt at checkout time.

Amazon Prime: Contact Purchasing to be set up on the Prime account. We are under the State Prime account. If the vendor wants to charge sales tax, you will be warned. This means the vendor will not honor the tax-exempt form – you should back out and find a different provider of that item if available.

Best Buy: For in-store purchases, contact Purchasing for the form to take to the store. Once in store you will need to use the form and phone number 801-851-8233 or 8234 to have the account brought up as tax exempt. If ordering online, you need to select apply “my tax exempt” status to remove the tax.

Dollar Tree: Take your tax-exempt form with you.

eBay: Follow their process to have the account set up tax exempt before the order is placed.

FedEx – The county uses the FedEx state contract for shipping. This is a significant savings in shipping costs. They will come to your location and pick up the parcel if requested. There are a few county accounts already set up with them. Contact Purchasing for more information.

Home Depot – Use any self-checkout or Pro Desk. Use 801-851-8233 for the phone number to tie it to Utah County account to be tax exempt and obtain the state contract rates. If using self-checkout, scan the screen, you will have the option to either select ProDesk or if that is not on the screen, scan the items first, then touch “request help” for an employee to assist you. You will need to tell them it is tax exempt and or enter our tax-exempt number 1909630699 they assigned to us. They will verify it by 801-851-8233 or by looking up Utah County.

Tax exempt purchases, continued ...

Lowe's – Purchasing has key tags you take in store to purchase. Let the cashier know the purchase is tax exempt. The key tag is swiped. This marks it as tax exempt and applies the State contract discount to in-store purchases.

Macey's – All locations – if paying with a P-card you will need to let the checker know this is a tax-exempt purchase. Our accounts are already set up as tax exempt. If charging it to our account, you will need your driver's license and County account number – the account number prints on the PO. Account numbers vary by store. Obtain account number before going shopping – found in the vendor file. If you do not know the account number for that store, ask at their service desk or front-end supervisor the best way to proceed. They can look it up.

Office Depot: Contact purchasing to be set up for online ordering access. If you purchase in-store, they do not always give the State contract rate discount. Make sure they have given you the State contract rate. They will need to look up Utah County or refer to the State contract rate.

Sam's Club: A Plus membership card is kept at the membership desk to be checked out with County issued ID. You will swipe the membership card at checkout time. Make sure to mark the purchase tax-exempt before paying with your P-card. Return the Sam's Club plus membership card to membership desk.

Smith's Food and Drug: Take your tax-exempt form with you and let them know it is tax-exempt at checkout time.

Staples: Contact Purchasing to be set up to order online. For in-store purchases you will need the tax-exempt number assigned by them to our account – 4668608252. They can also look up our account based off 801-851-8233 or 801-851-8234 or acct# 70110055 or Utah County.

Walmart: Use tax exempt card from them for appropriate store, Orem or Springville. Ask Purchasing for a copy of the card.

For other vendors, it's always a good idea to check the vendor record to see if a tax-free account is already set up. For example, the County has an account with Uline. The customer number is included in the address line, which would be included in a PO. That would identify to Uline that it is a government (tax-free) account.



Thresholds

There are two types of thresholds we need to watch out for in Purchasing:

- Competitive Bid Requirements
- Bilateral Contract Requirements

When determining if competitive bids are required, the following thresholds apply:

For purchases over \$2,500—at least three competitive quotes are required

For purchases over \$5,000 — at least four competitive quotes are required

For purchases over \$50,000 — a sealed bid or RFP is required

Contact Purchasing if you have questions, or if there is a strong justification to consider pursuing an exemption from these requirements. When considering an exemption from competitive bidding, it is important to keep in mind that vigorous competition is strongly encouraged, both for the benefit of the County and in order to maintain fairness in the marketplace. Any deviation from the established thresholds would require a compelling justification that it is in the County's best interest to do so.

A bilateral contract is required above these thresholds:

For the purchase of services over \$2,500

For the purchase of goods over \$10,000

When a contract is required, make sure to build in plenty of time to get the contract approved on the Commission agenda. Contact your portfolio attorney in the Attorney's Office to assist you in putting the contract together. The contract can be either initiated by the County, or in many cases we can simply use the contract offered by the vendor.