

**SOUTHERN NEVADA COMMUNITY HEALTH CENTER  
POLICY AND PROCEDURE**

<b>DIVISION:</b>	FQHC	<b>NUMBER(s):</b>	CHCA-004
<b>PROGRAM:</b>	Division Wide	<b>VERSION:</b>	1.00
<b>TITLE:</b>	Procurement Policy	<b>PAGE:</b>	1 of 5
		<b>EFFECTIVE DATE:</b>	January XX, 2025
<b>DESCRIPTION:</b> To establish procedures for ensuring all sourcing and purchasing activities are in compliance with applicable law.		<b>ORIGINATION DATE:</b> 1/6/2025	
<b>APPROVED BY:</b>  <b>CHIEF EXECUTIVE OFFICER - FQHC</b>		<b>REPLACES:</b> NEW	
Randy Smith, MPA _____		Date	

**I. PURPOSE**

To establish procedures for ensuring that all sourcing and purchasing activities for the Health District are in compliance with applicable law including but not limited to, 45 CFR, Part 75, Subpart E and 2 CRF part 200.

**II. SCOPE**

This policy applies to all Workforce Members.

**III. POLICY**

Workforce Members will make every effort to ensure the acquisition of quality goods and services at competitive costs while adhering to professional standards and practices. The Financial Services Department is responsible for all purchase orders, solicitations, and related contract encumbrances. The Health District has elected to follow OMB M-18-18, which outlines the purchasing thresholds.

#### IV. PROCEDURE

The Health District will only award purchases to responsible suppliers possessing the ability to perform successfully under the terms and conditions of a proposed procurement.

Consideration will be given to such matters as supplier integrity, compliance with public policy, record of past performance, suspension and debarment, and financial and technical resources.

##### A. Purchase Order Approval Authority

1. The Chief Financial Officer (CFO) or designee is responsible for reviewing and approving all purchase requisitions. Purchase requisitions valued above the applicable purchase threshold will be approved based on the following factors:
  - a. Sufficiency of departmental appropriations
  - b. Compliance with budgetary and fiscal policies
  - c. Compliance with accounting principles and standards
  - d. Reasonableness of the request
2. All purchase ~~orders-requisitions~~ valued at under \$50,000 will be reviewed for final approval by the CFO, or designee. All purchase ~~orders-requisitions~~ valued at over \$50,000 will be reviewed for final approval by the District/Chief Health Officer or designee.
3. No Workforce Member will make a purchase without an approved purchasing agreement. Exceptions require pre-approval by the CFO in consultation with the District Health Officer. The Workforce Member may be held liable for unauthorized purchases.

##### B. General Purchasing Requirements

1. Purchase Orders and P-Cards - Purchase orders are used for the one-time purchase of specific goods or services and for repetitive purchases of goods and services provided as needed on an on-going basis during the Health District's fiscal year. Generally, all individual purchases valued at \$5,000 and over must be made with a purchase order or a contract. Purchases below \$5,000 made with a P-Card must adhere to the P-Card policy. Certain categories of obligations can be paid without a purchase order (see Procurement Manual). Division Directors, Managers, and Supervisors are responsible for ensuring the appropriateness of purchases made with purchase orders. Emergency Purchase Order changes will be executed by the Purchasing Agent or designee.

2. Sole Source - All exceptions for purchase requests greater than the micro purchase threshold that are not competitively awarded will be documented and approved using the Sole Source Justification Form.
3. Goods and Nonprofessional Services - The process and documentation associated with the purchase of goods and nonprofessional services are based on the dollar value of the specific purchase request. Dividing (splitting) purchasing transactions to avoid the purchasing and approval requirement is prohibited. Goods and nonprofessional service transactions valued over \$50,000 per fiscal year for the same product or service and to the same supplier requires a formal solicitation unless the purchase occurs under a purchasing agreement or program or is a valid sole/single source.
  - a. All purchase requests valued at \$50,000 or over (\$100,000 for construction) requires a formal Request for Proposals (RFP) (unless purchase is a valid sole source).
  - b. All purchases of software, hardware and/or implementation will be requested by the IT Department.
4. Any federally funded procurement activity will be in accordance with the federal procurement requirements or grant requirements. Staff will ensure all procurement costs directly attributable to the Health Resources Services Administration (HRSA), federal awards are allowable, consistent with federal cost principles.
  - a. The Health District has records for procurement actions paid for in whole or in part under the HRSA's federal award that include the rationale for method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
  - b. The health center's contracts that support the HRSA-approved scope of project include provisions that address the following:
    - The specific activities or services to be performed or goods to be provided;
    - Mechanisms for the health center to monitor contractor performance; and
    - Requirements for the contractor to provide data necessary to meet the recipient's applicable federal financial and programmatic reporting requirements, as well as provisions addressing record retention and access, audit, and property management.

5. Competition - All procurement transactions must be conducted in a manner providing full and open competition and will only include costs allowable, consistent with federal cost principles, and meets grant guidelines, as applicable. Contractors who develop or draft specifications, requirements, statements of work, or invitations for bids/requests for proposals must be excluded from competing for such procurements. The solicitation may not include geographical preferences in the evaluation of bids or proposals. State licensing laws may be a requirement for a firm to bid. Architectural and engineering services may be limited to a geographic location if there are sufficient firms to compete for the contract. The solicitation must identify evaluation factors and their relative importance. Any response to publicized requests for proposal must be considered to the maximum extent practical.

**C. Emergency Purchases**

An emergency is defined as a disaster or a situation that may lead to the impairment of health, safety, or welfare of the public if not immediately addressed. The purchasing process for emergencies depends on the severity and resources required to manage the incident. P-Card purchases may be utilized during emergencies. Such purchases will not require prior written approvals.

Department approved invoices for goods or services purchased without a P-Card must be forwarded to Finance for review, approval and payment.

- D. Entering into state and local intergovernmental agreements or inter-entity agreements (i.e., NASPO, GPO, GSA) are encouraged. Prior to entering into these agreements, mandatory federal flow down clauses will be included (2 CFR 200, Appendix II), as applicable.**

**E. Conflict of Interest**

Any Workforce Member directly associated with and/or responsible for the procurement of goods, services and/or contracting activities, including Board of Directors, officers, employees and agents, are prohibited from having any direct or indirect interest, or any real or apparent conflict of interest, in or with any entity with which the Health District does business. Workforce members violating this standard may be subject to disciplinary action up to and including termination.

Any Workforce Member participating in the procurement process must disclose any real or apparent conflict of interest. Disclosure must be made on the Conflict of Interest Disclosure Form (see Reference No. 10).

**V. REFERENCES**

1. Procurement Manual
2. P-Card Policy
3. Sole Source Justification Form (FIN-101)
4. RFP Request Form (FIN-106)
5. OMB M-18-18
6. 2 CFR §200.317-326, Procurement Standards
7. 2 CFR 200 Appendix II, Contract Provisions for Non-Federal Entity Contracts Under Federal Awards
8. 45 CFR Part 75, subpart E
9. NRS 332 Purchasing Local Governments
10. Form No. CHCA-004-FRM-004-1, Conflict of Interest Disclosure Form

**HISTORY TABLE**

**Table 1: History**

Version/Section	Effective Date	Change Made
Version 0	01/XX/2025	First issuance

**VI. ATTACHMENTS**

Not Applicable