

**IOWA TRIBE of KANSAS – NEBRASKA**  
*As approved through Executive Committee Resolution No. 13-R-07*

# **TRIBAL EMPLOYEE ACQUISITION PROCUREMENT POLICY & PROCEDURE**



**IOWA TRIBE OF KANSAS & NEBRASKA  
INDIAN RESERVATION (Iowa Tribe)**



## CHAPTER 1

A – Purpose of this manual; It is the intent of the Tribe to acquire quality goods and services within reasonable or required time frames while promoting fair and open competition in the Tribe's procurement process. The process shall ensure that purchase orders and contracts are awarded equitably and economically, and establish management oversight in the acquisition of commodities and contractual services.

Except otherwise delegated by the Executive Committee, Accounting is the only department authorized to commit funds for the acquisition of commodities and contractual services.

This document is to provide guidance for tribal employees concerning activities related to procurement and acquisition of goods and services. Specifically, this document was prepared to assist the Tribe with the following:

- Purchase items from reliable vendors.
- Purchase items of quality to meet minimum quality standards.
- Obtain the desired items at a reasonable/fair market price and applying Indian preference where practical and to the greatest extent feasible.
- Purchase only those items that are properly authorized and are for legitimate tribal purposes.
- Have resources available when they are needed for tribal activities.

These objectives of the manual shape the nature and scope of the procurement process.

Examples of transactions not processed through Procurement Management include, but may not be limited to:

- Employee Travel
- Utilities
- Postage
- Interdepartmental charges
- Petty cash
- Fuel
- Subscriptions
- Fees
- Small capital items under 250 dollars
- Seed and Fertilizer

*Resale items*

## PURPOSE

**B** - The purpose of this policy is to provide Tribal employees with guidance and ethical standards when conducting Iowa Tribe of Kansas and Nebraska (Iowa Tribe) business or representing the Tribe in any capacity.

## POLICY

**Conduct** – All employees are responsible for maintaining good rapport with vendors and representing the Tribe in a professional manner and, for maintaining a high level of business ethics in all concerns.

**Gifts & Gratuities** –The Iowa Tribe’s Human Resources Policies & Procedures states, It is the policy of Tribe that employees shall not solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan or any other thing of value from a person who has, or is seeking to obtain, contractual or other business or financial relations with the Tribe.

**Confidentiality** - During the bid solicitation process, procuring transactions with regard to vendors are highly confidential. All employees will avoid situations where vendors might overhear or see confidential material.

**Conflict of Interest** – No Tribal employee or Executive Committee member should engage in business with the tribe, either directly or indirectly, which is inconsistent with the conscientious performance or tribal duties and further make every effort in his or her private world to avoid conflicts of interest; unless participation in the conduct of the business, personal and tribal, is deemed to be of no substantial effect on his or her integrity and any other interests are deemed insignificant.

## DEFINITIONS SECTION

**C.**

1. *Shall, must and will* mean that the procedure is mandatory.
2. *Should* mean that the procedure is recommended.
3. *May* mean that the procedure is optional.
4. *Agreement-at-a-Glance*. Form which must be completed and submitted to the Executive Committee as a quick review of all provisions to any agreement or addendum to any agreement which will be brought to the Executive Committee approval.
5. *Best Value*. The Best Value method of procurement incorporates cost, quality and other specified requirements to achieve a resulting award that is fair, efficient, competitive, and meets all of the procurement objectives.
6. *Bid*. A vendor's formal price offered for items requested on a *quotation request*.
7. *Blanket Purchase Order*. A *purchase order* issued to a vendor for items or services for a specified period of time, but not exceeding the end of the current fiscal year, when it is determined to be in the best interest of the Tribe. After its acceptance by the vendor, purchases may be made against it periodically as required without calling for new *purchase orders* up to the dollar amount of the blanket purchase order.

**IOWA TRIBE OF KANSAS & NEBRASKA (IOWA TRIBE)  
ACQUISITION PROCUREMENT POLICIES & PROCEDURES MANUAL  
TABLE OF CONTENTS**

<b>Chapter 1 INTRODUCTION</b>	<b>Page</b>
A. Purpose of Manual	3
B. Definitions Section	4
C. Ethical Procedures	4
D. Regulations Governing the Acquisition Function	7
E. Legal Considerations	8
<b>Chapter 2 PROCUREMENT PROCEDURES</b>	<b>Page</b>
A. Acquisition Procedures Manual	11
B. Vendor Information	12
C. Debarment of Contractors	15
D. Purchase Requisitions	17
E. Approval Requirements	18
F. Method of Award	19
G. Sole Source Requests	21
H. Contracts	22
I. Purchase Orders	24
J. Blanket Purchase Orders	26
K. Change Orders	27
L. Material Return Procedures	27
M. Freight Charges	29
N. Standardization of Material Purchases	29
O. Acquisition Management Files	30



## PURPOSE

**B** - The purpose of this policy is to provide Tribal employees with guidance and ethical standards when conducting Iowa Tribe of Kansas and Nebraska (Iowa Tribe) business or representing the Tribe in any capacity.

## POLICY

**Conduct** – All employees are responsible for maintaining good rapport with vendors and representing the Tribe in a professional manner and, for maintaining a high level of business ethics in all concerns.

**Gifts & Gratuities** –The Iowa Tribe's Human Resources Policies & Procedures states, It is the policy of Tribe that employees shall not solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan or any other thing of value from a person who has, or is seeking to obtain, contractual or other business or financial relations with the Tribe.

**Confidentiality** - During the bid solicitation process, procuring transactions with regard to vendors are highly confidential. All employees will avoid situations where vendors might overhear or see confidential material.

**Conflict of Interest** – No Tribal employee or Executive Committee member should engage in business with the tribe, either directly or indirectly, which is inconsistent with the conscientious performance or tribal duties and further make every effort in his or her private world to avoid conflicts of interest; unless participation in the conduct of the business, personal and tribal, is deemed to be of no substantial effect on his or her integrity and any other interests are deemed insignificant.

## DEFINITIONS SECTION

- C.
1. *Shall, must* and *will* mean that the procedure is mandatory.
  2. *Should* mean that the procedure is recommended.
  3. *May* mean that the procedure is optional.
  4. *Agreement-at-a-Glance*. Form which must be completed and submitted to the Executive Committee as a quick review of all provisions to any agreement or addendum to any agreement which will be brought to the Executive Committee approval.
  5. *Best Value*. The Best Value method of procurement incorporates cost, quality and other specified requirements to achieve a resulting award that is fair, efficient, competitive, and meets all of the procurement objectives.
  6. *Bid*. A vendor's formal price offered for items requested on a *quotation request*.
  7. *Blanket Purchase Order*. A *purchase order* issued to a vendor for items or services for a specified period of time, but not exceeding the end of the current fiscal year, when it is determined to be in the best interest of the Tribe. After its acceptance by the vendor, purchases may be made against it periodically as required without calling for new *purchase orders* up to the dollar amount of the blanket purchase order.

8. *Change Order*. A written modification to a purchase order or blanket purchase order by the Tribe directing the vendor to change the contract amount, requirements or time.
9. *Claim for Payment*. The form used by the Accounting Office to process payments.
10. *Contractual Services*. Labor, material, or specialized services contracted for a department, except for professional services and advertising.
11. *Fast Track Bidding*. The bid process used by departments to gather quotations from vendors for one-time purchases of *goods* or *services* under \$30,000 and not tied to a *price agreement*.
12. *Fixed Asset*. Any single item costing \$1,500 or more, including tax and shipping.
13. *Goods*. Also referred to as Personal Property. Items such as, supplies, material, livestock, furnishings, equipment, vehicles and material objects other than real estate or buildings .
14. *Price Agreement*. An agreement established between a vendor and the Tribe to provide *goods* or *services* at a competitively awarded price and with specified requirements.
15. *Professional Services*. The services of attorneys, physicians, architects, engineers, accountants, consultants or other individuals formally certified as a member of a trade association of an organized profession that certifies successful completion of its requirements.
16. *Public Works Services*. Services for the erection, construction, alteration, installation, repair or improvement of any public structure, building, road or other public improvement of any kind paid for in whole or in part out of public funds. Additional examples of public works include projects related to fences, runways, excavations, quarry repairs and alterations, bunkers, tunnels, power lines, conveyors, towers and water tanks.
17. *Purchase Order*. A legally binding document issued by the Accounting Department that specifies the *goods* or *services* ordered from a vendor in excess of \$1500.00.
18. *Purchasing System*. The procurement system used by the Tribe to enter requisitions, process requisitions and for vendors to register and submit quotations online.
19. *Quotation Request*. The document used by the Tribe to solicit competitive bids from vendors.
20. *Quote Sheet*. The form used by a department to document vendor quotations when using the Fast Track Bidding process.
21. *Request for Proposal (RFP)*. A document used to solicit proposals for professional services.
22. *Request for Qualification (RFQ)*. The process used to solicit qualified consultants for a project which may lead to an *RFP* process.
23. *Requisition*. The document submitted by the using department through the *purchasing system* to request a good or service.
24. *Salvage or Surplus Property*. Personal property and material that is no longer useful to the Tribe.
25. *Services*. In this manual, services shall refer to all services other than public works or professional services. These are services offered by individuals without such generally recognized specialized knowledge whose primary product is labor. Examples of this type of service are auto repair, office equipment repair, pest control, printing and towing.
26. *Sole Source Acquisition (Exception to Bid)*. When in the best interest of the Tribe, a procurement process in which a *good* or *service* is procured from a single source without competition. A sole source situation exists when only one brand will meet the requirements and there's only one source of supply for that brand.
27. *Requisitions*. Requisitions are the documents submitted by the requesting department through the *purchasing system* to request a *good* or *service* from a vendor. It is the department's responsibility to ensure funding is available and that the expense key has been established prior to submitting the requisition. Before a *purchase order* can be issued from a requisition, any accompanying vendor terms and conditions or agreements must be reviewed and approved through department manager and any required insurance obligations must be satisfied.
28. *Insurance*. Vendors are required to carry insurance in the amounts and coverage's

established by the Executive Committee. The Standard Insurance Provision states the minimum coverage's and dollar amounts required by the Tribe. The Risk Manager also has the authority to approve variances of coverage's and dollar amounts when deemed appropriate. The department shall not begin services until the vendor's insurance certificate and any endorsements have been reviewed and conform to Tribes requirements.

## PURPOSE

**D** - The purpose of this policy is to familiarize employees with Iowa Tribe's policies governing the legal regulations of the acquisition function, as well as a reference tool for Tribal recognized applicable Federal Regulations.

### Federal Regulations

A-87	Office of Management and Budgets (OMB) Circular for Cost Principles related to State and Local Governments Provides specific guidance related to allowable costs.
PL-93-638	Indian Self Determination and Education Assistance Act Provides general guidance for self-governance agreements.
25 CFR	Indians Provides guidance related to the operation and functions of Indian tribes
A-133	OMB Circular sets forth standards for obtaining consistency and uniformity among Federal agencies for the audit of States, local governments, and non-profit organizations expending Federal awards.
24 CFR	Housing and Urban Development Provides guidance for procurement activities Native American Housing Assistance and Self-Determination Act of 1996 (Section 203(g) Program Requirements)
OMB Common Rule	Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Requirements for most federally funded grants and cooperative agreements.
HUD Section 3	Section 3 will be applied in accordance with 24-CFR-Part 135-Section 3 of the Housing and Urban Development Act of 1968 (12 USC 1701u) as implemented by 24 CFR part 135. Requirements: Sec 1000.42

## PURPOSE

E - The purpose of this section is to provide information on legal considerations related to acquisition process.

## POLICY

**Timeframe** – If no time is stated in a signed document by a merchant to buy or sell goods; then, a reasonable time is not to exceed three months is invoked.

**Offer and Acceptance** – Conduct by both parties which recognizes the existence of a contract is sufficient to establish a contract or sale, although the writings of the parties do not otherwise establish a contract.

**Conflicting Terms and Interpretation of Contracts** – Certain legal rules of interpretation may apply when contract language is uncertain or ambiguous. Such ambiguity exists when a contract is reasonably susceptible to different constructions. The following rules are basic to contract interpretations:

- A contract will be construed to carry out the intent of the parties, so as to make it lawful and enforceable if at all possible.
- Language is considered in its ordinary and customary sense and technical terms are considered according to the type of transactions.
- The contract will be construed as a whole and effect given to all its parts.
- Inconsistencies partly printed, typewritten and/or handwritten will be resolved in favor of handwriting over the type and type-over print, when such handwritten entries are initiated by authorized signatories.
- Words control over figures where number inconsistencies occur.
- Where two meanings are possible from words, phrases, etc., the interpretation that upholds the contract as valid and enforceable is favored.

**Acceptance of Shipment** – An order or other offer to buy goods for prompt or current shipments shall be construed as inviting acceptance either by a prompt promise to ship, or by prompt or current shipment or conforming goods.

Under this rule, a contract binding on both parties comes into being when shipment is made, even though the seller made no written or oral promise to ship. It also provides that the seller both accepts the contract and breaches it (may be liable for damages) by shipping non-conforming goods. Tribal purchase orders should contain the language “No substitutions unless authorized by Tribal Buyer.”

**Unconscionable Contracts and Penalty Clauses** – If the court, as a matter of law, finds the contract to have been unconscionable at the time it was made, the court may refuse to enforce the contract, or it may enforce the remainder of the contract without the unconscionable clause, or it may so limit the application of any unconscionable clause to avoid any unconscionable result.

Courts will not enforce a penalty clause or forfeiture that is clearly out of line with the damages sustained and is punitive rather than compensatory.

**Warranty Protection** – The Tribe recognizes three types of warranties:

- Express Warranty
- Implied Warranty of Merchantability
- Implied Warranty of Fitness for a Particular Purpose

Express Warranty – any statement of fact or promise concerning the specification of goods.

Express Warranties by the seller are created as follows:

- Any affirmation of fact or promise made by the seller to the Tribal Buyer that relates to the goods and becomes part of the basis of the bargain, creates an express warranty that the goods will conform to the affirmation or promise.
- Any description of the goods that is made part of the basis of the bargain creates an express warranty that the goods shall conform to the description.
- Any sample or model that is made part of the basis of the bargain creates an express warranty that the whole of the goods shall conform to the sample or model.

Implied Warranty – a warranty that the goods shall be merchantable is implied in a contract for their sale if the seller is a merchant with respect to goods of that kind.

- Goods to be merchantable must at least:
  - pass without objection in the trade under the contract description; and
  - fit for the ordinary purposes for which such goods are used; and
  - run, within the variations permitted by the agreement, of even kind, quality and quantity, within each unit; and
  - are adequately contained, packaged and labeled as the agreement may require; and conform to the promises or affirmations of the facts made on the container or label, if any.

Exclusions from the implied warranty of fitness for the purpose must be in language specifically naming the exclusions. The examination of goods prior to purchase should be carefully done by qualified persons only.

**Tribal Buyer's Right to Inspect** – Unless otherwise agreed where goods are tendered or delivered or identified to the contract for sale, the Tribal Buyer has a right before payment or acceptance to inspect them at any reasonable place and time and in any reasonable manner.

**Tribal Buyer's Rejection of Goods** – In the case of improper delivery or unless otherwise agreed, if the goods or tender or delivery fail, in any respect, to conform to the contract, the Tribal Buyer may:

- reject the whole; or
- accept the whole; or
- accept any commercial unit or units and reject the rest.

If the Tribal Buyer rejects the goods it must be within a reasonable time after their delivery or tender. Reasonable time is defined as any time fixed by agreement which is not manifestly unreasonable, based on the nature, purpose, and circumstances of the action.

**Seller's Right to Cure Where the Defect is Stated** – In cases where the Tribal Buyer rightfully rejects a non-conforming or improper tender, the seller has an opportunity to cure or replace the goods if the seller had reasonable grounds to believe (the goods) would be acceptable and the seller may if he reasonably notifies the Tribal Buyer, have a further reasonable time to substitute

conforming tender.

The Tribe defines reasonable time. The Tribal Buyer has the right to cancel and not allow the seller to cure or replace the goods, if it is in the best interest of the Iowa Tribe.

The Tribal Buyer must always state the particular defect upon which he bases his objections.

**Acceptance of Goods** – Acceptance occurs when the Tribal Buyer:

- after a reasonable opportunity to inspect the goods signifies to the seller that the goods are conforming, or that he will take or retain them in spite of their non-conformity; or
- fails to make an effective rejection, but such an acceptance does not occur until the Tribal Buyer has had a reasonable opportunity to inspect.

**Time of Delivery** – To avoid delivery problems the Tribal Buyer should state in a written agreement or Purchase Order (P.O.) the delivery dates required. If no time is provided in the agreement, the seller is required to deliver within a “reasonable” time. Reasonable time depends on all of the pertinent circumstances of the transaction, including the seller’s knowledge of the Tribal Buyer’s delivery requirements, plus prior dealings and practices between the Tribal Buyer and seller.

**Legal Jurisdiction** – All Contracts regarding material and/or services must clearly state the Tribal Court as legal jurisdiction, the point of delivery, and the acceptance of materials and/or services by the Tribe. Executive Committee would make final decision if agreed otherwise.

**Acquisition Law** – The acts of authorized Procurement personal are binding upon the Tribe within the limits of the authority given to them. The Tribe’s Executive Committee Chairman or written designee will sign all contracts on behalf of the Iowa Tribe.

## CHAPTER 2

The purpose of this policy is to establish the levels of authority and responsibility within the Iowa Tribe concerning the Tribe's procurement procedures and acquisition activities. These will be the authority levels upon which the policies and procedures are based.

It will be the responsibility of the Executive Committee to keep this policy updated.

As per delegation from the Executive Committee, the Tribal Administrator/Director and Accounting Manager are given administrative authority to approve purchase and contract documents. Signature of awards of contracts may not be re-delegated except by the Executive Committee to designee.

A requisition initiated by the appropriate Tribal program and approved by authorized employees shall be the document delegating the Accounting Department to procure the requested goods and services. The Authorization to sign purchase order documents regardless of the dollar amount is delegated to the Executive Committee Chairman or designee, upon receipt of a properly approved requisition and after all policies and procedures regarding procurement have been satisfied.

### PURPOSE

A - The purpose of this manual is to provide uniform procedures for the purchase of goods and/or services to assist in maintaining a well-functioning Procurement Department

### POLICY

Each employee involved in the procurement process is responsible for understanding and following the policies in this manual.

The overall objective of these policies is to provide a foundation for consistent and effective operations of the Procurement Management.

The Executive Committee is responsible for the maintenance of these policies and procedures.

## PURPOSE

**B** -The purpose of this policy is to establish Iowa Tribe procurement requirements to expedite the process of contracting for goods and services. This policy is also to provide guidance in the selection of a vendor and vendor relations.

## POLICY

**Vendor Selection** -- Vendor selection is an important part of the procurement process. Requesting departments are responsible for providing Accounting with clear, detailed specifications. In the event an Iowa Tribe Program needs assistance with developing and drafting specifications related to construction or repair of facilities, they will contact the Executive Committee Chairman, who will assist them in obtaining those specifications. At no time will vendors be contacted to develop and draft specifications, or to provide a quote on a product or service unless coordinated through the Executive Committee Chairman. Tribal Buyers are responsible for selecting vendors and coordinating with various departments regarding specifications. Among the considerations a Tribal Buyer should take into account when awarding a purchase order or contract:

1. Service and delivery record.
2. Guaranty/warranty of product.
3. Competitive price.
4. Quality of merchandise.
5. Indian preference.

While it is the policy of the Tribe to give preference to companies certified as Native American owned, when selecting vendors, it is still important to ensure quality service/material at a reasonable price.

**Vendor Relations** -- It is important to uphold the Tribe's business ethics and professional courtesy when dealing with vendors. The following will be practiced by Tribal personnel when dealing with vendors:

1. Treat all vendors in a polite, courteous, and professional manner.
2. All vendors will receive fair and, within the framework of this Manual, equal treatment.
3. Equal opportunity will be provided to all vendors in regards to price and specification quotations. Guarantee the confidentiality of all specifications and price quotations made by vendors.
4. Decline to take advantage of seller's errors, show patience and consideration when a vendor makes an error or is having difficulties by cooperating whenever possible.
5. Do not give one vendor information or other consideration that would give them an unfair advantage over another firm.
6. Meet with vendors on a scheduled appointment basis as deemed necessary by Procurement Management or upon request of vendor. Vendor representatives should schedule an appointment with Procurement Management to review proper procedure. Vendor representatives are allowed to visit with user departments when appropriate, however the appointment should be scheduled through Procurement Management. Vendors should be aware that only the Executive Committee Chairman or designee is

authorized to negotiate purchases and procurement contracts and finalize the purchase of goods and services.

Vendors utilized by the Tribe are required to possess the following:

1. Valid and current signed Native owned business certification, if applicable and/or any other business certifications. If approved, a vendor is to be considered for Indian preference in solicitations for purchase orders and contracts as per the order of preference outlined in the policy.
2. When vendors or contractors are performing services on Tribal property, the Tribe will require proof of insurability including worker's compensation, liability insurance, etc. Insurance will not be required for deliveries of goods to designated Tribal drop-sites. Insurance may not be required for certain services on Tribal work sites such as consulting.

- **Certification of Insurance** – Each vendor must provide a Certificate of Insurance to the Iowa Tribe. The Certificate of Insurance should contain all of the following information:

1. Type of Insurance
2. Policy number
3. Effective date
4. Expiration date
5. Limits of liability (usually stated in thousands)
6. Waiver of insurance approved by Executive Committee.

- **Worker's Compensation and Employer's Liability** – Tribe requires worker's compensation coverage for anyone with one or more employees working on Tribal lands.

Limits of Liability:

- Bodily injury by accident - \$100,000 each accident
- Bodily injury by disease - \$500,000 policy limit
- Bodily injury by disease - \$100,000 each employee

- **General Liability** – Vendors need to have comprehensive coverage (including products/completed operations)

Limits of Liability:

Bodily injury and property damage combined - \$500,000

- **Automobile Coverage** – This coverage should encompass all autos including hired and non-owned autos.

Limits of Liability:

Bodily injury and property damage combined - \$300,000

- **Builder's Risk Insurance (if applicable)** – The vendor will maintain builder's risk insurance on a 100% completed value basis on the project for the benefit of the owner, the vendor, and all subcontractors.

3. Other certifications or representations

The following are examples, but not a complete list of certifications and representations

that may be requested.

- **Organizational Conflict of Interest Certification** – The vendor declares that to the best of their knowledge that they do not have any organizational, financial, contractual or any other type of conflict of interest.
- **Certificate of Independent Price Determination**–The vendor declares that they will not consult with any other vendor or competitor to arrive at the prices for a particular job. It may also state that the prices will not be disclosed by the vendor to any other competitor prior to the award of the contract and the person who signed the offer is the one responsible for determining the bid prices within the organization.
- **Taxpayer Identification** – All vendors must submit their taxpayer identification number and corporate status, such as a corporation, partnership, sole proprietorship, nonprofit organization, or joint venture. This information must be submitted by each vendor in order to comply with reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M and implementing regulations issued by the Internal Revenue Service.
- **Authorized Negotiators** – Each vendor will submit a list of names, titles, and telephone numbers of the people authorized to negotiate any proposal.
- **Affirmative Action Compliance** – The vendor has or has not developed and implemented an affirmative action program required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2).
- **Certification Regarding a Drug-Free Workplace** – Certifies that the vendor has a drug-free awareness program in place and it is enforced.
- **Statement of Good Standing** – The Vendor(s) are not currently disbarred, license suspended or revoked, are under investigation by a regulatory or licensing organization, have litigated against the Iowa Tribe, or are former employees who have been dismissed.
- **Payments to Subcontractors** – Unless mutually negotiated and agreed otherwise by the Iowa Tribe, the Contractor and any Subcontractor, all Iowa Tribe's Contractors shall be required to pay subcontractors within ten (10) days of receipt of payment from the Tribe, provided the subcontractor pay applications are complete and accurate.

## PURPOSE

C - To provide guidelines for the Iowa Tribe to resolve complaints and differences with contractors, as a first priority so elevation to debarment of contractor is not necessary, but outlined in the section if elevation is required.

## POLICY

It is the policy of the Iowa Tribe that Procurement Management shall award contracts and place purchase orders with responsible contractors.

The serious nature of debarment requires that these sanctions be imposed only in the public interest for the Tribe's protection and not for purposes of punishment.

It is the policy of the Iowa Tribe that all vendors are treated fairly and impartially in all situations and that problems, issues, or complaints are handled expeditiously, objectively and in a business-like manner. This policy and procedure will apply to all vendors, whether they are Native preference certified or other.

The procurement offices of the Tribe and its entities shall maintain a list of contractors which have previously provided poor performance or engaged in behavior in non-compliance with contract provisions, rules, regulations, or laws.

The Iowa Tribe may debar a vendor who is not responsible including, but not limited to any of the following:

- 1) Two or more claims of computational or other error in bid submission within a two-year period;
- 2) Unjustified failure or refusal to timely provide or properly execute contract documents;
- 3) Unsatisfactory performance of a contract, as determined in the sole and reasonable discretion of the Tribe;
- 4) Two or more occasions within a five-year period of failure to submit bond or insurance documents acceptable to the Tribe in the time periods required;
- 5) Unjustified refusal to properly perform or complete contract work or warranty performance, as determined in the sole and reasonable discretion of the Tribe;
- 6) Unjustified failure to honor or observe contractual obligations or legal requirements pertaining to the contract, as determined in the sole and reasonable discretion of the Tribe;
- 7) Conviction under a federal, state, municipal or tribal statute or ordinance for fraud, bribery, theft, falsification or destruction of records, receiving stolen property or any other similar crime;
- 8) Any offense or action that indicates a lack of business integrity and that could directly affect the reliability and credibility of performance of the Contractor on future contracts with the Tribe;
- 9) Any debarment of the Contractor by another governmental agency;
- 10) Failure to timely submit accurate certified payrolls as requested by the Tribe;
- 11) Failure to timely submit core crew lists as requested by the Tribe;

- 12) Failure to cooperate with tribal officials conducting Indian preference monitoring;
- 13) Safety violations;
- 14) Two or more occasions in a two-year period of using an unauthorized or unlisted subcontractor;
- 15) Conviction under federal or state antitrust statutes involving public contracts;
- 16) Knowingly presents or causes to be presented a false claim for payment or approval;
- 17) Such other reasons as reasonably may be determined by the Tribe.

Debarment shall be for a period commensurate with the seriousness of the contractor's actions. The debarment period shall not exceed two years unless the Executive Committee mandates otherwise a longer period of debarment.

Debarment will apply to contracting matters concerning all departments of the Iowa Tribe. Notwithstanding the debarment or proposed debarment of a contractor, contracts or subcontracts in existence at the time a contractor is debarred may continue unless cancelled by the Tribe. Ordering activities may continue against existing contracts in the absence of cancellation. However, contracts with debarred contractors may not be renewed or otherwise extended.

## PROCEDURE

### Initial Debarment Recommendations

A referral recommending a debarment action should be addressed to the Iowa Tribe Executive Committee with a copy to the Tribe Procurement Management Department as the initial step in the debarment process. The individual or department initiating the referral should describe in detail the complaints against the contractor. If there is any supporting documentation relevant to the infraction or violation, it should be attached to the complaint. The supporting documents may include, but are not limited to, statements of witnesses, investigative reports, and any relevant policies, regulations, rules, or codes violated.

### Debarment Review

Upon receipt of information concerning the existence of a cause for debarment, Tribe Executive Committee will investigate. After the investigation is complete, Procurement Management will review the initial complaint documentation, and if it is determined there is adequate cause for debarment, the Procurement Management Department will send a proposed debarment letter to the contractor. The contractor will be advised that it is being proposed for debarment, the effect of the debarment and the reasons for the proposed debarment.

### Contractor Response to Proposed Debarment

The contractor will be given ten (10) days within which to submit information that raises a genuine dispute over the material facts giving rise to the debarment, or submit other information which it believes should be considered by the Tribe prior to reaching a debarment decision.

Failure by the contractor to respond with a written request for reconsideration within the ten (10) days will result in debarment by the Tribe without a review.

If the contractor does request a reconsideration of the debarment, and submits written documentation, that documentation will be reviewed by the Tribe. If, after review of the contractor's written material or oral presentation the Tribe determines that the contractor raised no genuine dispute over the material facts nor provided any mitigating circumstances the contractor believes should be considered by the Tribe prior to reaching a debarment decision, the final Letter of Debarment will be signed and forwarded to the contractor.

If debarment is imposed, the contractor and any affiliates involved shall be given prompt notice by certified mail, return receipt requested. The Letter of Debarment shall include the following information:

- 1) Reference to the Notice of Proposed Debarment;
- 2) Specific reasons for the debarment;
- 3) The period and scope of debarment including the effective dates.

The decision on the final Letter of Debarment will be final.

### **PURPOSE**

**D** - The purpose of this policy is to provide all employees with detailed instructions for completing a purchase requisitions and vendor information.

### **POLICY**

Iowa Tribe Policy and Procedure, the Executive Committee and Department Managers is the only entity authorized to purchase on behalf of the Tribe. The purchase process begins when an authorized individual requests goods or services. The need for goods or services will be identified by monitoring various program activities. All requisitions submitted for goods and/or services will be entered and approved in the Iowa Tribe financial system.

Emergency or rush purchases should be kept to a minimum. An emergency purchase is one where there is an unexpected, serious occurrence or situation urgently requiring prompt action. For the purpose of these procedures, an emergency shall be defined as when the lack of services or supplies will stop or hinder the operations of the tribal government, or cause harm or injury to an individual tribal citizen. Proper planning by requesters is vital to ensure rush purchases are kept to a minimum. Requisitions must be received by the Accounting Department far enough in advance of the date needed so proper compliance to Tribal Policies and Procedures may be ensured. Emergency purchases will be handled on a case by case basis.

The following items will always be included on the purchase requisition:

1. Department name
2. Suggested vendor name, address, and phone number for procurements with an estimated cost under \$250.00
3. Date of the requisition was initiated
4. Date required

5. Reason items required
6. Ship to
7. Quantity needed
8. Unit of purchase (each, dozen, gross, etc.)
9. Description/part number
10. Requested by
11. Approved by
12. Funding source
13. Remarks/special instructions (i.e., any special grant requirements that pertain to this purchase)

Note: Any information missing or incorrect could result in requisition being returned to requesting department for clarification or information.

### PURPOSE

E - The purpose of this policy is to establish authorization for the approval of purchase requisitions.

### POLICY

Every request for goods and services must be entered and approved in the Tribe's financial system. The appropriate individual must approve a purchase requisition prior to the issuance of a Purchase Order. The approval limits will provide a reasonable level of control by the Executive Committee or authorized designee, Director, and Managers.

Approval authorization will be limited to Managers and above. This assures expenditures are being reviewed by persons with knowledge of and responsibility for the proper use of funds. This will also remove the burden of tracking and monitoring approval signatures for compliance.

The levels of approval authority are as follows:

\$0 - \$1,500	Department Managers
\$0 - \$24,999	Executive Committee Chairman
Above \$25,000	Executive Committee Approval

A requisition initiated by the appropriate Iowa Tribe program and approved by authorized employees shall be the document delegating the Procurement Management Department to procure the requested goods and services. The authorization to sign purchase order documents regardless of the dollar amount is delegated to the Executive Chairman or Accounting Manager upon receipt of a properly approved requisition and after all policies and procedures regarding procurement have been satisfied. The purchase order may contain either an actual signature or an electronic signature.

If a Purchase Order change is requested and the additional expenditure exceeds overall approved amount by 10% or more, the change order will be re-approved by the appropriate approval level

for the revised amount.

### PURPOSE

F - The purpose of this policy is to provide guidance to Accounting Management personnel regarding method of award.

### POLICY

The myriad of laws and regulations which apply to the various sources of funding for activities of the Tribe will require that each department advise Accounting Management of any specific contracting requirements for the particular funding source. However, unless other laws or regulations govern, the policy will be to purchase in accordance with the Iowa Tribes General Provisions, and this policy and procedure manual such that Iowa Tribal Preference and Indian Preference is practiced to the greatest extent feasible.

The Tribe will observe the following preferences to the greatest extent feasible:

First Preference:

Primary preference to certified "Indian-owned businesses" where the majority owners are Iowa Tribe citizens.

Secondary Preference:

Second preference to other certified "Indian-owned businesses."

Third Preference:

Third preference to "Major Iowa Tribe member employer" businesses. In no instance shall preference to "Major Iowa Tribe member employer" businesses degrade or supercede preference to Indian-owned businesses.

During any solicitation process, all communication of any sort, including technical questions, that arise during the bidding process will be directed to the Tribal Buyer, who will obtain answers from the requesting department. The Tribal Buyer will distribute this updated information to all of the potential suppliers. No other Tribe employees are authorized to communicate with vendors during the solicitation.

Native owned vendors will be notified of bid opportunities through the Iowa Tribe normal posting process by advertising in newspaper, the Iowa Tribe may choose to post it on the internet, or the Tribe Office. The Iowa Tribe Procurement Management staff will to the greatest extent feasible solicit bids from qualified Native owned vendors.

All requests for meetings between vendors and Iowa Tribe departments will be coordinated through the Procurement Management Department.

The following policies and procedures are general guidelines for procurements. The exact award criteria will be specified in each solicitation.

## **Micro-Purchases and Small Purchases**

The Iowa Tribe defines a micro-purchase as one that is anticipated to result in an award of less than \$500.00. These acquisitions will be awarded to Iowa owned, certified vendors in the order of preference to the greatest extent feasible. Procurement Management may also utilize other government contracts, or if more favorable pricing may be obtained, a non-Native owned business vendor may be used.

Acquisitions that are at least \$250.00 but less than \$24,999.00 are defined as the Iowa Tribe as a small purchase. For small purchases, Procurement Management will obtain bids orally by telephone or in writing from vendors and others to ensure at least two bids are obtained. At the discretion of the Tribal Buyer and/or the requesting program, the formal sealed bid process may be utilized if technical materials are needed, such as specifications or drawings. These procurements will be posted on the Iowa Tribe bid website for a minimum of three days, unless extenuating circumstances dictate otherwise. The Tribal Buyers shall document the result of the bid process in the purchase order file. Upon award of the procurement, the buyer shall post the name of the successful vendor and the award amount to the bid website. If the bid for a small purchase is based on price and Indian preference, a 5% preference will be given to Iowa member owned, Native certified firms. The award shall be made to the greatest extent feasible to Native owned firms. If the bid for a small purchase is based on multiple evaluation criteria, then a minimum of 10% of the evaluation points shall be reserved for Indian Preference, allocating points in the order of preference above.

## **Procurement Process – Major Purchases**

The Iowa Tribe defines a major purchase as one that is anticipated to result in an award of \$25,000.00 or greater. For major purchases, or for procurements that factor in evaluation criteria as well as cost, Tribal Buyers will use the formal sealed process.

For any major purchase solicitation issued by the Iowa Tribe using multiple evaluation criteria, a formal solicitation shall be issued, including evaluation factors and a rating system to evaluate each proposal or quotation. The solicitation shall identify all evaluation factors, including cost or price. Formal solicitations will be advertised for a minimum of three days unless extenuating circumstances dictate otherwise. If authorized by a requisition from the requesting department, appropriate advertising will be placed in designated newspapers and publications. All postings and advertisements will contain the scope of the procurement.

When preparing bid documents, it is important that complete and accurate information be provided. The requesting department will include detailed information such as the estimated cost range, date required, quantity, description, special conditions, specifications, delivery requirements, and suggested open dates for the bid process. In the event an Iowa Tribe program needs assistance with developing and drafting specifications for construction or repairs of facilities, they will contact the Executive Committee Chairman who will assist them in obtaining those specifications. At no time will vendors be contacted to develop and draft specifications, or to provide a quote on a product or service, unless coordinated through the Executive Committee

Chairman. Price will be considered, but will not always be the deciding factor. Other criteria such as past performance, service and delivery capabilities, financial capability, and other attributes of the service provider may receive at least equal weighting to price considerations in the overall award. Attributes should be as quantifiable as possible, avoiding subjective rating. If a program/department gathers information and forms a preference, the Tribal Buyer will consider that information; however, the Tribal Buyer is responsible for conducting the bid process.

For procurements over the \$25,000 threshold, Procurement Management will prepare a bid form documenting all the formal bids received and send to the requesting department for concurrence and comparison with the programs estimated cost and original budget. The requesting department will then advise Procurement Management of their concurrence with the proposed award and will furnish all original cost/price analysis and budget information to Procurement Management.

After an approved requisition is received from the requesting department by the Tribal Buyer with all corresponding cost/price and budget information, Procurement Management will proceed to award the procurement. Upon award of the procurement, the buyer may post the name of the successful vendor.

If approved by the Iowa Tribe, a contract awarded to a general contractor may be subcontracted, provided that the Indian-preference requirements herein apply, regardless of the level of subcontracting activity. Failure to apply Indian preference to subcontracts shall be deemed a violation.

### **Unauthorized Purchases**

It is the policy of the Iowa Tribe that all tribal departments will utilize the Accounting Department and this process and policy as duly authorized agent for all acquisitions.

To ensure compliance with the above policy, supervisors should caution employees under their supervision regarding unauthorized or "after-the-fact" purchases. Each requisition must be placed with the vendor by an authorized employee within Procurement Management. Failure to follow policy could result in disciplinary action as well as the employee paying for the purchase. Procurement Management will vigorously enforce this policy.

Changes to existing purchase orders or contracts by individuals not in Procurement Management will constitute unauthorized procurements.

**G - Sole Source Requests** for sole source procurements should be kept to a minimum and justified by the requesting program. A detailed explanation must be provided and the form must be signed as approved by the appropriate Executive Committee Chairman or their authorized signatory. Examples of justifications for a sole source procurement might include emergencies (health and safety issues), a proprietary product available only from one source, parts and/or maintenance for existing equipment, products and/or services authorized or required by statute or agreement, in legal agreements, contracts that require individuals with knowledge in Iowa Tribal culture, schools, hospital or health care providers, utilities, advertising, etc.

The above justifications are given possible examples. Each request will be reviewed individually.

## PURPOSE

H - The purpose of this policy is to familiarize Iowa Tribe personnel with procedures regarding contracts. It is important that all personnel familiarize themselves with the different standard forms used by the Tribe. All employees involved with processing or administering contracts will be familiar with conditions printed on the Tribe's forms as well as those of the vendors and contractors. The correct use of these forms will ensure legal protection for all parties involved.

## POLICY

The Executive Committee Chairman or written designee will sign all contracts on behalf of the Tribe. The consequences of an improper contract can affect the entire Tribe. Therefore, the Executive Committee Chairman or written designee should be made aware of any problems or potential problems with a contract and make the final decision as to the responsibility he/she is willing to accept on behalf of the Tribe.

When goods or services are available only from a unique source, or when emergency situations require a contract be placed with a single source, the Sole Source Form is available to Tribal Buyer to contract from a single source. Examples of other types of contracts exempt from the Iowa Tribe bid requirements would be contracts such as cultural, educational, health, and child care agreements. On all other contracts, Procurement Management will require this document for such purchases and contracts. A detailed explanation must be provided and the form must be signed as approved by the appropriate Supervisor.

Funding agency approval may be required for all sole source or single source procurements based on funding agency agreements. Any special funding agency approval requirements must be specified and identified by the requesting department.

No agreement which requires the expenditures of funds shall extend beyond the end of the fiscal year in which it is entered into unless expressly subject to the condition that the Iowa Tribe shall have the right to terminate the agreement at the end of any fiscal year should funds not be appropriated by the Executive Committee for continuation of the agreement.

All contracts issued by the Iowa Tribe will contain terms, conditions and clauses in the contract that ensure all contracts are governed under the laws of the Iowa Tribe and/or the laws of the United States and the venue for any legal action to enforce the terms of the contract will be in the court system of the Iowa Tribe unless otherwise directed by the Iowa Tribe.

All contracts must be reviewed by the Executive Committee before signature of the Executive Committee Chairman or written designee.

Contracts that are requested after-the-fact will include a letter of explanation from the Supervisor. The letter will accompany the contract when sent to the Executive Committee Chairman or written designee for signing. The Executive Committee Chairman or written designee will decide on a case by case basis if any action will be taken.

When there are concerns regarding whether to proceed with a contract, the Executive Committee will attach written concerns to the contract before forwarding to the Executive Committee Chairman or written designee for signing. The Executive Committee Chairman or written designee will then make the decision with respect to (1) obtaining additional information or justification from the appropriate Department Supervisor, (2) have the contract revised, (3) waiving the issue as immaterial, or (4) voiding the procurement.

## PROCEDURE

### INTERNAL DEPARTMENT

- 1) Determine need and appropriateness for a contract in accordance with Iowa Tribe strategic initiatives.
- 2) Clearly define the scope of work and deliverables requested.
- 3) Forward all information to the designated Tribal Buyer in Procurement Management for bids. If the requesting department feels there is an overwhelming need to acquire these contracted services from one source and not enter into the bid process, a sole source form should be completed and approved by the appropriate Supervisor. The signed sole source form must be included with the contract packet. When the needed information has been gathered, the information should be forwarded to the appropriate Purchasing Department / Inventory Clerk.
- 4) The following shall be submitted to the Executive Committee for review and drafting of contract:
  - a. Purchase requisition
  - b. Native owned approval (if there are Native owned vendors available to perform this service)
  - c. Contracts Information Form
  - d. Sole Source Justification Memo (if applicable)
  - e. Copy of Tribal Membership/Indian Certification
  - f. Resume of Contractor (if applicable)
  - g. Contractor's insurance certificates (if required)
  - h. Clear and concise scope of work and/or specification

### CONTRACTS OFFICE OR DESIGNEE

- 1) The Purchasing Department / Inventory Clerk will review requisitions and required attachments for compliance with policy, make recommendations and/or request any additional information required for assurances, insurance requirements, etc. Contracts will work with Purchasing to ensure the contract terms and conditions match the bid requirements, the specifications, and the contractor's quote/proposal.
- 2) The Purchasing Department / Inventory Clerk will ensure the proposed contract is consistent with Iowa Tribe terms and conditions and does not require the Tribe to waive sovereign immunity, does not require arbitration, or pay legal fees, and that any and all disputes are to be decided in the court system of the Tribe. Any deviations from Iowa Tribe's accepted terms and conditions must be approved by the Executive Committee.
- 3) Upon preparation of final draft of contract, the Purchasing Department / Inventory Clerk

will forward to the requesting department for their review, approval, and signatures of the contractor and the appropriate Supervisor.

Upon receipt of the contract executed by the contractor and the appropriate Supervisor, the Purchasing Department / Inventory Clerk will:

- 1) Obtain the signature of the Procurement Management and if necessary, the Executive Committee Chairman.
- 2) The Purchasing Department / Inventory Clerk will then distribute copies of the purchase order and the contract to the contractor, the requesting department, and will retain copies for the Contract files.

### **DEPARTMENT**

The internal requesting department will ensure that no contract work begins until a fully executed contract is received from the Purchasing Department / Inventory Clerk. The requesting department will monitor the contract as per its terms and conditions closely, and will authorize payment to the contractor as per the contract terms and conditions, and the Accounting Policy and Procedure manual.

### **PURPOSE**

I - The purpose for this policy is to provide guidance in the area of preparing purchase orders.

### **POLICY**

The Iowa Tribe utilizes a purchase order system. A properly completed purchase order shall be required for each purchase decision with the exception of other purchases identified in Chapter 1, Section A.

No purchase order or contract shall be awarded pursuant to these procedures unless funds have been appropriated and are available for the procurement.

Purchase orders will contain the following information:

- Specifications or list of services or items required
- Vendor name, address, point of contact and phone number
- Delivery or performance schedules
- Delivery, packing and transportation requirements
- Catalog information (if applicable)
- Net price per unit, less discount, if any
- Total amount of the order
- Electronic signature of the authorized Tribal Buyer
- Any special conditions

**Requisitions** – The procurement function begins with the determination of a need. An individual or department requests goods or services and a requisition is prepared entered and approved in the Tribe's financial system. Additional approvals may be required such as information system items.

**Acquisition Methods** – After the requisition is received by the appropriate Tribal Buyer, the Tribal Buyer will determine the appropriate procurement method.

**Purchase Orders** – After the appropriate procurement method is used by the Tribal Buyer, a purchase order and/or contract will be issued.

**Cancellation** – Cancellation of all orders by the Tribal Buyer will be in writing.

Written confirmation from the Tribal Buyer, plus the following steps are required for all order cancellations:

- Refer to the original purchase order by date and number.
- Request the supplier's acknowledgement of the cancellation.

**Purchase Order – Delays Documentation** – In the event of any delays in processing, the following procedures will be followed:

- Advise requestor as soon as possible.
- Discuss with requestor any deficient information on the purchase order.
- Discuss with requestor any difficulty in locating a suitable vendor.
- The Tribal Buyer will document all delays identified above and keep that documentation with the purchase order.

**Purchase Order – Expediting** – In order to accomplish prompt receipt of materials, Procurement Management will:

- Review and examine all open purchase orders
- Check with requestor to ascertain material is still outstanding and needed.
- If the requestor has not received order and no longer needs it or the material has not been shipped and the vendor accepts cancellations:
  - Request written authorization and cancel from the requesting department.
  - Call vendor and advise them that the purchase order has been cancelled. A written cancellation notice is prepared and sent to the vendor.
- If requestor has not received and still needs the order:
  - Call vendor and ascertain shipping date.
  - Note expected date of receipt in the files along with any other pertinent information from vendor.
- If vendor states order has been shipped:
  - Have vendor trace and advise of status.

**Purchase Order – Terms and Conditions**

**Identification** – All invoices, packages, shipping notices, instruction manuals and other written documents affecting this order will contain the applicable purchase order number. All packing lists will contain an itemized list of the materials shipped, i.e., not “one box.”

**Shipping Instructions** – All goods are to be shipped freight prepaid, F.O.B. destination, unless otherwise stated. Tribal Buyers will direct vendors to specify purchase order numbers on all

shipments.

Delivery – Orders may be terminated in delivery if not made or services are not performed by the specified date.

Billing – The billing address section of the purchase order will be to the attention of the Accounts Payable Department.

Payment – Payment will be sent to the seller by mail unless otherwise arranged.

Rush Purchases – An emergency purchase is one where there is an unexpected, serious occurrence or situation urgently requiring prompt action. For the purpose of these procedures, an emergency shall be defined as when the lack of services or supplies will stop or hinder the operations of the tribal government, or cause harm or injury to an individual tribal citizen. Proper planning by requestors is vital to ensure rush purchases are kept to a minimum. Requisitions must be received by Procurement Management far enough in advance of the date needed so proper compliance to Procurement Policies and Procedures may be ensured. Emergency purchases will be handled on a case by case basis.

### PURPOSE

J - The purpose of this policy is to establish when a Blanket P.O. should be used.

### POLICY

Blanket purchase orders will be used when procuring repetitive items from the same vendor on a frequent basis. The lump-sum procuring enables Tribal Buyers to obtain more favorable pricing.

Blanket purchase orders are not to exceed a 3 month period of time.

It is not necessary to use a blanket purchase order if there is no advantage over using a regular purchase order. A blanket purchase order will not be used if the vendor's quality of service is questionable.

Requisitions for blanket purchase orders will be entered and approved in the Tribe's financial system. The requisition will state the period of time to be covered, a cancellation clause, items included, quantity, a not to exceed amount, terms, and the names of employees authorized to purchase.

To increase the amount of a blanket purchase order a new requisition must be submitted. Excessive changes to the dollar amount of the blanket purchase order or frequent changes to the blanket purchase order will not be allowed.

Expenditures that would exceed the original dollar value of a blanket purchase order are not allowed without prior submission of a new requisition. This requisition must have all appropriate approvals for not only the amount of the increase but the new total amount of the blanket purchase order. If the dollar amount of the proposed increase causes the total amount of the blanket purchase order to exceed the authorized approval level of the requestor, the requestor must obtain approval from the next approver for that accounting unit.

When the blanket purchase order expires, the requesting department is responsible for renewing the blanket purchase order.

### PURPOSE

**K** - The purpose of this policy is to establish procedures when making changes to purchase orders or contracts.

### POLICY

A change order is issued when a price, quantity, or certain specifications should be changed on an order or if there is discrepancy between the requisition and the final purchase amount. If the difference is less than 10% of the original purchase order total, Procurement Management is authorized to process the purchase order. In no event will multiple change orders be processed on the same purchase order without extenuating circumstances and justification from the requesting program. Extenuating circumstances include, but are not limited to, additional scope of work discovered after the project was started, an unusual increase in the price of raw materials, or additional related work that is so intertwined with the original project that it would be cost prohibitive to re-bid the project.

Procurement Management will review the change order notification to determine if a change order is required, or if negotiation with the vendor will take place. Programs will provide to Procurement Management a written justification and cost/price analysis for the proposed change order. If a change order is deemed necessary, Procurement Management will request authorization from the requesting department for the change in the form of a requisition. The department will note "Change Order" when entering their requisition into the Tribe's financial system. A complete description of the change in price, quantity, or certain specifications will be included comments. The same approvals will be obtained for each change order as were on the original purchase requisition. Additional approvals may also be required according to the revised total cost. The original purchase order number will be included on the change order requisition. A written confirmation of the changes will then be sent by the Tribal Buyer to the vendor.

Programs will not request and/or authorize change orders for price increases on firm, fixed-price contracts, nor will they request and/or authorize change orders for additional work that was not contained in the original scope of work of the bid or contract.

### PURPOSE

**L** - The purpose of this policy is to establish guidelines for returning purchased material to a vendor.

### POLICY

Occasionally it is necessary to return ordered merchandise to the vendor. Reasons for returning materials might be the goods are damaged, they do not meet standards, the materials are no

longer required, or excess material was ordered. When the requestor determines the merchandise should be returned to the vendor, they will prepare a Return Authorization Form which will identify the items to be returned.

The following items are included in the top portion of the return authorization form and need to be filled out completely to ensure proper credit:

1. Original Purchase order number.
2. Department name.
3. Vendor name and address.
4. Specify return for credit or exchange.
5. Reason for returning item.
6. Quantity, stock number, and description of items being returned.
7. If exchange – quantity, stock number, and description of new items.
8. Requestor's signature.
9. Supervisor's signature.

It is the Tribal Buyer's responsibility to contact the vendor for authorization to return or exchange the merchandise. Usually the vendor will replace the item at no charge if it was damaged at the time of receipt or if the wrong item was delivered. If the item is excess and no longer needed, the Tribal Buyer will negotiate the return of the item and a credit from the vendor. All returns are subject to a restocking fee based on vendor's policy. Items received without a Purchase Order number will be returned to the vendor, after two (2) working days.

The Tribal Buyer then completes the portion on the Return Authorization Form specified for the Procurement Management Department. The following items are included in this portion:

1. Tribal Buyer's name.
2. Vendor Contact.
3. Return authorization number (if available/applicable).
4. Tribal Buyer's signature.

Tribal personnel, under the direction of their Supervisor, will prepare the merchandise for shipping and arrange for the transportation of the merchandise back to the vendor via best method.

Tribal personnel will then complete the bottom portion of the return authorization form with the following information:

1. Name of carrier.
2. Freight terms.
3. Date Shipped.
4. Signature of person picking up merchandise and date.
5. Tribal personnel's signature.

When the item is picked up, the vendor or delivery service will sign the Return Authorization Form showing receipt of the merchandise. A copy will be given to the vendor as their receipt for the merchandise returned. The original copy will be forwarded to Procurement Management to

be placed in the files. A copy will be forwarded to Procurement Management where it will be placed in the files. If the returned merchandise results in a check from the vendor, the check must be sent to Accounting. If the return merchandise results in a credit from the vendor, Accounting must receive notice of the credit.

The materials return procedure will not be used to circumvent policies, procedures and requirements for receipt of year-end procurements.

#### PURPOSE

M - The purpose of this policy is to establish guidelines for processing freight charges.

#### POLICY

The freight charges will be negotiated by the Tribal Buyer into the material cost of the merchandise.

The initial freight charges will be charged against the requesting department.

The freight charges for returns not due to damaged or unsuitable products will be charged to the requesting department.

#### PURPOSE

N - The purpose of this policy is to provide employees with guidance for standardizing materials purchased whenever possible.

#### POLICY

Whenever possible, standardization of materials, supplies, and equipment will be utilized. The effort of standardizing materials such as office supplies, printing, packaging materials, pharmaceutical supplies, and any other equipment allows the purchase of lump-sum items and therefore minimizes costs. Exception to standards must be justified by the appropriate Executive Director or above.

The Procurement Management Department will analyze available departmental usage data on an ongoing basis. Procurement Management will assess needs and negotiate with vendors for such things as favorable volume discounts and delivery options.