



Purchasing Policy



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Friant Water Authority Purchasing Policy

1. Purpose of Policy and Legal Authority

- A. The purpose of this Purchasing Policy (Policy) is to establish uniform procedures for procuring goods and services for the Friant Water Authority (FWA), in accordance with Government Code sections 54201 and following and the Office of Management and Budget Uniform Grants Guidance Title 2, Subtitle A, Chapter II, Part 200, Subpart D (UGG 2 CFR 200), to assure purchases are accomplished in a manner providing maximum benefits and at a reasonable cost to FWA.
- B. California Government Code section 54202 requires that every local agency adopt policies and procedures governing purchases of supplies, materials and equipment and that purchases must be in accordance with those duly adopted policies.
- C. California Government Code section 54204 requires that if the local agency is other than a city or county, the policies provided for in Section 54202 must be adopted by means of a written rule or regulation, and copies of such policies must be available for public inspection and distribution.
- D. Federal Code of Federal Regulations (CFR) 2 CFR 200.317 through 200.326 requires that all non-Federal entities, including subrecipients of a state, follow general procurement standards as set forth in the Uniform Grants Guidance when procuring goods and services under a Federal award.
- E. California Government Code sections 4529.10 and following and 53060 authorize exemptions for competitive bidding for certain professional and special services; provided, however, that such services are procured under a fair, competitive selection process, which this Policy is intended to provide.

2. Definitions.

- A. CHANGE ORDER –Means a written amendment modifying the terms of an existing contract.
- B. CONSTRUCTION SERVICES - Means all labor and services provided in connection with a public works project involving the construction, alteration, repair, demolition, reconstruction, or other improvements to real property.
- C. FIXED ASSET – Means property purchased and owned by FWA with a useful life greater than one year and an initial acquisition cost equal to or greater than the capitalization threshold established in this Policy. Property includes items such as: lands, structures, movable equipment, furniture, fixtures, software, and leasehold improvements.
- D. GOODS – Means commercially available equipment, material and supply products



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purchased or manufactured on request. Goods can be either tangible or intangible products (such as software products or licenses).

- E. NON-PROFESSIONAL SERVICES – Means commercial services provided to FWA other than professional services, and includes supply, maintenance, rentals, subscriptions, and leases.
- F. PROFESSIONAL SERVICES – Means services provided by any specifically licensed, trained or experienced person, firm or corporation specializing in accounting, architectural, construction management, economic, engineering, environmental, financial, information technology, land surveying, legal, public relations, or other specialized disciplines. Services may include the provision of a report, study, plan, design, specification, document, program, advice, recommendation, analysis, review, opinion, inspection, investigation, audit, brokering or representation of FWA before or in dealings with another party.
- G. PROJECT CODE – Means a code assigned by FWA identifying the project and task classification (also known as the general ledger account number) that best represents the category and line-item in the budget for the purchase to be charged.
- H. PURCHASE ORDER – Means an authorization, using a standardized form, in which the party designated therein as the “provider” provides materials or non-professional services for a cost to FWA. See the additional definition under Purchasing Methods.
- I. VENDOR – Means an individual or organization providing materials or services to FWA.

3. Budget Process

- A. Prior to the beginning of each fiscal year (October 1 – September 30), in accordance with Section 12(a) of the Transfer Agreement, 8-07-20-X0356-X, between FWA and the U.S. Bureau of Reclamation (Reclamation), a proposed Operations, Maintenance, and Replacement (OM&R) Budget for the Friant-Kern Canal (FKC) must be developed for review by the Friant Division Contractors and final approval by the FWA Board. In addition to the OM&R Budget, a proposed General Membership (GM) Budget must be developed for review by FWA member agencies and final approval by the FWA Board. The proposed OM&R and GM budgets include all anticipated expenditures that may be reasonably expected to be incurred by FWA in the new fiscal year.
- B. After review and input by Friant Division Contractors and FWA committees, including a mandatory 60-day formal review period for Friant Division Contractors, and making such revisions as may be deemed necessary, the FWA Board will, on or before September 30th of each year, adopt the OM&R Budget for the ensuing fiscal year. Similarly, after review and input from FWA committees, the Board will, on or before September 30th of each year, adopt the GM Budget for the ensuing fiscal year.



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- C. Adoption of the OM&R and GM Budgets constitutes authorization to proceed with the solicitation of bids or quotes for goods, or requests for proposals/qualifications for services, for the expenditures contained within the budget, and, to the extent provided in this Policy, the authorization to make the specific expenditures as set forth within each of the budgets. Adoption of the OM&R and GM Budgets does not supersede compliance with the applicable authorization approval limits as noted in **Exhibit A**.

4. Purchasing Methods.

The following methods are used by FWA to purchase goods and services in support of FWA's mission and operations.

- A. Petty Cash.** Petty cash may be used to pay for small purchases under \$50.00 needed immediately for items that cannot be obtained or purchased from a vendor with a Purchase Order. Petty cash is generally provided as a reimbursement, but can be provided in advance, if the exact amount of the purchase is unknown. Petty cash advances must be cleared within 24 hours of the cash advance by returning receipts and the remaining money back to petty cash. Petty cash advances or reimbursements are to be approved by the accounting department supervisor or Superintendent (or Chief Executive Officer (CEO), Chief Operating Officer (COO), and Chief Financial Officer (CFO), if the accounting supervisor or Superintendent are not available). In rare instances, with CFO approval, petty cash advances or reimbursements can exceed the \$50.00 threshold.
- B. Employee Expense Reimbursement.** In rare cases, FWA staff may need to use their personal funds to make a purchase on behalf of FWA. In these cases, staff may seek reimbursement for those purchases. The coded receipt documentation, written rationale for the business reason for the purchase, as well as supervisory approval is required in order for the accounting department to process an employee expense reimbursement.
- C. FWA Credit Card.** Credit card purchases may be used to provide an efficient, cost-effective method of purchasing and payment for travel and small-dollar transactions. The use of credit cards is intended to reduce a variety of processes including blanket orders, petty cash, and small dollar purchase orders. Unless authorized by the CEO, COO, or CFO, single purchases using a FWA credit card are not to exceed \$5,000.00. The credit card purchasing program and procedures are set forth in **Exhibit B**.
- D. Purchase Order.** FWA requires that all purchases of goods and non-professional services, with the exception of those acquired through petty cash, credit card, or blanket purchase order, be purchased through a Purchase Order (PO). A PO is a commercial document issued by FWA to a vendor indicating types, quantities, delivery requirements, and agreed prices for the goods/services the vendor will provide to FWA. FWA requires a purchase requisition to be submitted and approved at the appropriate



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authorization levels prior to the issuance of a PO. No employee may purchase goods or non-professional services without a prior authorization and a valid Purchase Order. Upon approval of a purchase requisition, the accounting department will provide the FWA employee with a PO number and, if required by the vendor, the FWA employee may sign the PO on behalf of FWA. Transactions without a valid PO number could delay payment and vendors must include the valid PO number with their invoice.

- E. Blanket Purchase Order.** Blanket Purchase Orders (BPOs) are used to establish standing Purchase Orders with pre-qualified, vendors that provide recurring goods or non-professional services to FWA where exact items and quantities are unknown in advance. BPOs (also known as “Open POs”) are established by FWA to streamline recurring, low-dollar purchases with vendors for common goods and services needed by operations and in lieu of warehousing. As with POs, FWA requires a purchase requisition to be submitted and approved at the appropriate authorization levels prior to the issuance of a BPO. The authorization level is tied to the expected total annual purchases to be supported by the BPO (i.e., the not-to-exceed amount). The purchase requisition must provide a detailed justification as to why it is in the best interest of FWA to establish a BPO with the vendor in lieu of the standard practice of issuing a Purchase Order for each required purchase. The justification should address relevant factors such as (1) variability of goods/services needed throughout the year, (2) preferred pricing arrangements offered by the vendor, (3) time and/or cost savings expected, (4) availability of the goods/services from other vendors, and (5) other relevant factors. To ensure that these arrangements with vendors represent the best value to FWA, new approved purchase requisitions are required for each BPO at least annually and generally prior to the beginning of each fiscal year.
- F. Professional Services Agreement.** A Professional Services Agreement (PSA) is a written agreement for the provision of professional services by consultants and other professional service providers. Depending on the scope and nature of the Professional Services to be provided, FWA may establish a Master Professional Services Agreement (MSA) with the consultant or other professional service provider that provides the overall scope, pricing arrangements, and standard terms and conditions, from which task order(s) for specific scope(s) and budget(s) are issued. FWA requires a purchase requisition to be submitted and approved at the appropriate authorization levels prior to the issuance of a PSA or task order under an MSA. In addition to the authorization thresholds set forth in **Exhibit A**, MSAs/PSAs must be prepared based upon the model form provided by FWA’s General Counsel and must be approved as to form by FWA’s General Counsel and CFO prior to award. MSAs/PSAs with professional service providers will be acquired using FWA’s standard purchasing procedures with the following, additional considerations:
- (1) All contracts for private architectural, landscape architectural, professional engineering, environmental, land surveying, audit, and construction project management services will be on the basis of demonstrated competence and



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qualifications for the types of services to be performed and at fair and reasonable prices to FWA, as determined by FWA, in its sole discretion.

- (2) Proposals submitted in response to a Request for Proposals or Request for Qualifications for professional services may be withheld from public examination until negotiations with the selected vendor are complete, except as otherwise required by law.
- (3) FWA expressly reserves the right to reject any and all proposals or statements of qualifications, find a proposal/statement of qualification non-responsive, waive any inconsistency, and/ or find any proposer non-responsible, subject to the limitations of applicable law.

G. Public Works Contracting. A public works contract is used when FWA is directly awarding a contract for the procurement of construction services for projects deemed “works” under Public Contract Code section 20561 as well as “public works contracts” as defined under Public Contract Code section 1101. In general, public works contracts will be awarded to the lowest responsive, responsible bidder after solicitation of bids from all vendors responding to a published notice of invitations for bid. Public works contracts with construction service providers will be acquired using FWA’s standard purchasing procedures with the following additional considerations:

- (1) Contracts for public works projects must conform to applicable requirements for public works contracts under California law, and all contractors and subcontractors must be registered with the Department of Industrial Relations if the small project exemption is not met. Proof of current registration is required prior to the acceptance of any bid or execution of any contract by FWA, including but not limited to requirements relating to listing of subcontractors. For federally funded projects, contractors and subcontractor must be registered to perform public work pursuant to Labor Code section 1725.5 at the time the contract is awarded.
- (2) All contracts for public works projects will be awarded using the FWA’s standard form of contract and will be subject to approval as to final form by FWA’s General Counsel.
- (3) Notwithstanding anything to the contrary in this Policy, it is expressly acknowledged that the FWA is a California Joint Powers Authority with the common powers of a California irrigation district and that it is only mandated by California law to competitively bid certain specified types of public works projects as applicable to an irrigation district and as provided in the California Water Code section 20561. To the extent that FWA determines that competitive bidding is not applicable or not in the best interests of FWA, FWA may waive competitive bidding for such public works projects, contract for design-build



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work, enter into cooperative agreements with private entities for the design, construction and maintenance of public works, utilize job-order contracting, or undertake any other form of contracting determined to be in FWA's best interest, except as otherwise expressly restricted by law.

- H. Alternative Procurement Methods.** Notwithstanding the methods and associated requirements set forth in this Policy, FWA reserves the right to use other, alternative procurement methods not specifically identified in this Policy when determined to be in the best interests of FWA. In addition to the authorization thresholds set forth in **Exhibit A**, the use of an alternative procurement method must have concurrence from FWA's General Counsel and the CFO prior to proceeding with the procurement and prior to award of the contract/agreement. As with all other procurement methods employed by FWA, the purchase authorization limits identified in **Exhibit A** apply to alternative procurements.

5. Procurement Procedures.

The following procedures and associated thresholds must be used and documented by FWA personnel for procuring goods and services in support of FWA's mission and operations.

- A. Competitive Procedures.** In general, purchases should be made in a manner that provides for full and open competition in order to obtain goods and services at fair and reasonable prices that represent best value to FWA. With the exception of small purchases those procurements where non-competitive procedures are justified, the following procedures at the following dollar thresholds are required. Documentation of adherence to these procedures must accompany each purchase requisition.
- (1) **Oral Quotes [$> \$1,000$ and $\leq \$5,000$].** For proposed purchases greater than \$1,000 and less than or equal to \$5,000, a minimum of three oral quotes must be solicited from responsible vendors. The information on each verbal quote must, at a minimum, be documented with the purchase requisition. If less than three oral quotes are obtained, it must be demonstrated that competition was attempted and the specific rationale(s) for the lack of sufficient quotes documented.
 - (2) **Written Quotes/Proposals [$> \$5,000$ and $\leq \$50,000$].** For proposed procurements greater than \$5,000 and less than or equal to \$50,000, three written quotes (goods) or three written proposals (non-professional services) must be solicited from responsible vendors. If less than three written quotes/proposals are obtained, it must be demonstrated that competition was attempted and the specific rationale(s) for the lack of sufficient written quotes/proposals must be documented. The resulting quotes/proposals must be evaluated and selection made based upon best value determination that weighs cost, technical, and performance factors. All of the information regarding the method of solicitation, quotes/proposals, and evaluation process



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must accompany the purchase requisition for the proposed procurement.

- (3) **Invitation for Quote / Request for Proposals/Qualifications / Invitation to Bid [>>\$50,000]**. For proposed procurements in excess of \$50,000, a formal competitive solicitation for an Invitation to Quote (goods and non-professional services), Request for Proposals/Qualifications (professional services), or Invitation to Bid (public works contracts/construction services) must be prepared and advertised as widely as possible and as otherwise required by law. Whenever possible and practicable, a minimum of 14 calendar days (preferably 30 calendar days) should be provided for responses. Due to the potential complexity of the procurement process, COO/CFO concurrence on the solicitation package is required before advertisement and General Counsel and COO/CFO concurrence is required before executing a proposed contract or agreement. Prior to final selection and submittal of the purchase requisition, Board approval of the proposed selection is required. After Board approval, the formal solicitation, quotes/proposals received, results of the evaluation process, and any other relevant information regarding the procurement process must accompany the purchase requisition for the proposed procurement.
- (a) Invitation for Quote (IFQ). A formal IFQ solicitation will be used for procurement of goods over \$50,000. The IFQ, at a minimum, must include (1) instructions for bidders; (2) a detailed scope of supply, including specifications, quantity requirements, and delivery requirements; (3) any additional terms and conditions.
 - (b) Request for Proposals/Qualifications (RFP/Q). A formal RFP/Q solicitation will be used for procurement of non-professional and professional services over \$50,000. The RFP/Q, at a minimum, must include: (1) Instructions to proposers, (2) scope of work, (3) technical evaluation criteria (technical approach, key personnel, past performance), (4) evaluation method to be used to include the relative importance of technical qualifications versus price, and (5) FWA's standard contract/ agreement terms and conditions. A Request for Quotes can be used in lieu of a RFP/Q where the scope or service is specifically defined and only pricing is required.
 - (c) Invitation for Bids (IFB). The procurement of public works construction by FWA is governed by the provisions of the California Public Contracts Code through an IFB process. The IFB, at a minimum, must include (1) instructions to bidders; (2) detailed scope of work including plans and specifications; (3) FWA's insurance and bonding requirements; (4) FWA's terms and conditions. Where required by law or desired by FWA, selection will be based upon the lowest bid submitted by a responsible and responsive bidder.



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- (4) **Cooperative Purchasing Programs.** FWA may participate with other governmental entities (municipality, county, state, or federal), such as the California Multiple Award Schedules (CMAS), California Department of General Services (CDGS), Western States Contracting Alliance (WSCA), Federal General Services Administration (GSA) or other cooperative purchasing contracts or programs in order to achieve cost-effective and efficient acquisition of quality goods and services. This may include "piggybacking" on contracts for goods entered into by other governmental agencies that were acquired through a competitive procurement process. Purchase requisitions for proposed purchases through these programs and arrangements must include documentation to support the competitive procurement process used.

B. Non-Competitive Procedures. The following are allowable exceptions to FWA's competitive procurement procedures. With the exception of small purchases and FWA credit card purchases, purchase requisitions are required for all proposed purchases that employ non-competitive procedures. The purchase requisition needs to reference the specific non-competitive exemption and provide sufficient detailed justification to support the use of that exemption.

- (1) **Small Purchases [\leq \$1,000].** For proposed purchases less than or equal to \$1,000, a minimum of three oral quotes is encouraged but not required. However, staff must make efforts to ensure that FWA is provided market pricing. Purchase requisitions are required for small purchases in order to establish a purchase order for appropriate invoice processing.
- (2) **Exempt Discretionary Purchases.** The following purchases are exempt from competitive procurement procedures. Please note that for these types of proposed purchases under \$5,000, the preferred method of payment is the credit card. For purchases not using the credit card, an approved purchase requisition (and associated purchase order) is required prior to purchase:
- (a) Training
 - (b) Media Advertising
 - (c) Seminars
 - (d) Conferences
 - (e) Off-Site Meeting Costs
 - (f) Travel
 - (g) Subscriptions
 - (h) Postage
 - (i) Memberships
 - (a) Travel Reimbursements
 - (b) Employment Agencies
 - (c) Permits



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- (3) Single-Source and Sole-Source Procurements. A single-source or sole source procurement is where it is determined that it is in the best interest of FWA to procure goods or services without full and open competition. The justification for a single-source or sole-source procurement must be fully documented (including any relevant market research) on a purchase requisition and are allowable only if meeting at least one of the following criteria:
- (a) The vendor is the only source permitted or viable generally due to legal restrictions such as a manufacturer's agreement with the vendor as the sole representative in a certain geographical area, patent rights, a proprietary process, service limitations, or warranty considerations;
 - (b) The purchase of a specific brand name, make, model, or proprietary good or service is necessary to ensure cost-effective, compatibility with existing FWA operations and/or systems and/or to facilitate cost-effective maintenance or support;
 - (c) It is in the best interest of FWA to extend services to avoid unnecessary and substantive delays and/or additional, substantive costs associated with soliciting and mobilizing a new service provider;
 - (d) A reasonable attempt has been made to obtain competitive quotes and additional vendors have not responded or their responses are not sufficient, satisfactory or fully responsive to the solicitation;
 - (e) It is in the best interest of FWA to secure the services from a uniquely qualified individual or firm due to the specialized skills, technology, demonstrated understating of the issues and operations of the Central Valley Project, FWA, and California water industry, and/or in-depth understanding, history, and experience working with FWA on legal, financial, operational, and regulatory issues.
 - (f) A public exigency or emergency for the requirement does not permit a delay resulting from competitive solicitation.

6. Purchase Requisitions.

A. Purpose. Purchase requisitions ensure that proposed purchases are sufficiently documented to (1) comply with the requirements of this Purchasing Policy, (2) comply with the authorization thresholds established within this Policy and by the Board, (3) ensure sufficient budget authority is available to support the proposed amount (4) ensure the proper project codes are used when processing payment(s), and (5) ensure that proposed procurements are in the best interest of FWA's mission and operations.

B. When Required. With the exception of purchases using petty cash or a credit card, an



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approved purchase requisition is required prior to initiating a purchase.

- C. Approvals.** The approval thresholds established in **Exhibit A** apply equally to purchase requisitions as they do to the associated procurement. For BPOs, the highest cost item/severable service anticipated to be purchased at any one time under the BPO determines the appropriate threshold for approval of the purchase requisition. In the case of procurements that require Board approval, upon approval by the Board, the CEO or COO has the authority to approve the associated purchase requisition.
- D. Format.** The accounting department is responsible for maintaining and updating the format for purchase requisitions. FWA staff must use the latest, updated version of the purchase requisition form when submitting proposed procurements for approval. Upon final approval, a copy of each approved purchase requisition must be provided promptly to the accounting department.

7. Receiving and Invoice Processing Procedures.

In order to ensure proper and timely processing of invoices, the following receiving and processing requirements are established.

- A. Three-Way Match.** For purchases with an approved purchase requisition (and associated purchase order/contract number), invoice(s) must include the assigned purchase order number. Upon receipt of the good(s) or service(s), the originator (or their delegate) must approve the requisite receiving document and submit it to the accounting department. The accounting department will only process invoices for payment where there is a three-way match between the: (1) approved purchase requisition, (2) the approved receiving document, and (3) the invoice.
- B. Receiving Documentation.** Receiving documentation is documentation that the good(s) have been delivered or service(s) have been rendered by the vendor. Receiving documentation comes in many forms, including but not limited to, order confirmations, packing lists, bills of lading, commercial invoices, and performance reports. Often, for services, the invoice includes the description of the services provided for the time period invoiced, constituting both the receiving document and the invoice. The originator of the purchase (or their designee) is responsible for ensuring that FWA has received the good(s) or service(s) prior to approving the requisite receiving information. If the good(s) or service(s) have not been received in full, the originator (or their designee) is responsible for rejecting the invoice, addressing the shortfall(s) with the vendor, and coordinating resubmittal of the invoice and receiving documentation, as appropriate, in coordination with the accounting department.
- C. Budget / Project Coding.** In order for invoices to be processed for payment, the accounting department must have the appropriate project code(s) (in full) in order to associate the expense(s) with the appropriate line-item(s) in the approved budget.



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- (1) For purchases where the purchase requisition amounts/costs match the invoice, the accounting department will process the invoice for payment against the project code(s) identified in the purchase requisition.
 - (2) For purchases where the purchase requisition amounts/costs/prices do not match the invoice and/or the good(s)/service(s) are variable in nature (such as a not-to-exceed professional services agreement), the originator (or their designee) must provide the project code(s) and associated amounts to charge to each project code along with the approved receiving documentation.
- D. 10% Invoice Processing Threshold.** In order to allow for reasonable differences between anticipated costs in a purchase requisition and the actual, invoiced costs, the accounting department will proceed with processing invoices where the difference between the invoice and the purchase requisition is less than 10% of the total purchase amount or \$1,000.00, whichever is less. Differences above this threshold will be referred back to the originator for clarification and action.

8. General Considerations.

The following applies to all purchasing undertaken at FWA.

- A. Splitting Requirements.** FWA prohibits separating or dividing purchase/contract requirements in order to reduce costs below a specified amount in order to avoid the authorization thresholds or requirements of this Policy. However, purchase/contract requirements may be divided to meet unique scheduling needs of a project or to meet necessary timeframes. This prohibition applies to all forms of purchasing undertaken by FWA, including purchases made via the FWA credit card.
- B. Conflicts of Interest.** No officer, employee or agent (including consultants) of FWA engaged in the selection, award and administration of contracts may participate in the preparation of specifications, or in the award or administration of a contract if he or she has any potential or actual financial interest in such contract. FWA officers, employees or agents may not solicit or accept gratuities, favors or anything of monetary value from potential or current vendors or contractors or parties to sub-agreements.
- C. Confidential or Proprietary Information.** Confidential or proprietary information must be handled with due care and proper consideration of ethical and legal ramifications and governmental regulations.
- D. Capitalization Threshold and Inventory Control.** Fixed asset acquisitions where the initial acquisition cost is equal to or exceeds \$5,000.00 must be capitalized and depreciated over the useful life. Fixed asset acquisitions less than \$5,000.00 should be expensed. The CFO has the discretion to capitalize fixed assets less than this threshold. The accounting department must be informed of the sale or disposal of any capitalized



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fixed assets within 30 days of the sale/disposal. Periodic inventory reviews will be conducted as an internal control. At a minimum, each inventory review will include a representative sampling (or full inventory) of FWA assets, as determined appropriate by the CFO.

- E. Electronic Signatures.** FWA may use electronic commerce whenever reasonable or cost-effective. FWA may accept electronic signatures and records for FWA procurements.
- F. Exceptions to the Policy.** The Board of Directors authorizes the Chief Executive Officer to effect procurements, or other activities of special circumstance, free of this Procurement Policy when the Chief Executive Officer has determined that such action would be in the best interest of the FWA, and when such action is not in conflict with applicable local, State, or Federal laws. The Chief Executive Officer cannot delegate this authority. The Chief Executive Officer will report any exceptions taken to the Board of Directors at the next regularly scheduled Board meeting.
- G. Purchasing Policy Review.** The CFO, in coordination with FWA's General Counsel, will monitor and propose revisions to this Policy as needed. All changes to this Policy will require the approval of the Board of Directors. In all cases, FWA will implement this Policy in a manner that is consistent with Federal, State, and local regulations.
- H. Policy Compliance.** All procurements pursued on behalf of FWA must be conducted in accordance with this Procurement Policy. FWA staff and consultants must comply with this Policy to ensure the responsible and prudent expenditure of FWA funds and the preservation of the public trust. Violations of this Policy may result in disciplinary action up to and including dismissal or contract termination.



Exhibit A. Purchase Authorization Limits.

1. Delegated Authorization Levels. The Board has authorized the Chief Executive Officer and Chief Operating Officer to perform essential duties for FWA operations, including purchase authority. Table 1 sets forth the purchasing limits and contract signatory authority established by the Board. These limits apply on a per-purchase/per contract basis for non-severable activities, not on an aggregated basis for unrelated activities.

Table 1. Purchase Signatory Levels and Limitations.	
Title	Delegated Purchase Authority
Chief Executive Officer	<ul style="list-style-type: none"> All procurements over \$100,000 with prior Board approval Emergency purchases over \$100,000 w/o prior Board approval¹ Purchasing Policy exceptions² (any amount) All procurements up to and including \$100,000
Chief Operating Officer	<ul style="list-style-type: none"> All procurements over \$50,000 with prior Board approval All procurements up to and including \$50,000

2. Change Orders. FWA may issue Change Orders, as required by changes in the specifications or conditions of a project, services performed, or materials issued.

A. Change Orders that result in a total, cumulative contract cost that is less than the dollar thresholds established by the Board are to be approved by the appropriate signatory level indicated in Table 1.

B. For Change Orders or Amendments to Contracts approved by the Board:

(1) Change orders or amendments that extend the expiration date of the original or Board approved contract by no more than 12 months, but do not affect the total contract price do not require additional Board approval and can be approved subject to the contract signature authority limitations indicated in Table 1

(2) Change Orders or amendments that will result in a cumulative increase of 10% or less of the original contract award amount as originally approved by the Board or \$10,000 (whichever is less) do not require additional Board approval and can be approved subject to the contract signing authority indicated in Table 1.

(3) Change Orders or amendments that will result in a cumulative increase of greater than 10% of the original contract award amount as originally

¹ Subject to mandatory Board notification procedures set forth below

² Subject to mandatory Board notification procedures set forth within this policy.



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approved by the Board or \$10,000 (whichever is less) require additional Board approval prior to execution.

- (4) A Change Order or amendment above the Change Order limits set forth in this Policy may be authorized by the CEO prior to Board approval if:
- A delay in Change Order authorization could result in a negative financial impact to FWA.
 - A delay in Change Order authorization could result in damage to a FWA facility or impair the operations of FWA.
 - An emergency exists which requires immediate work/services.

The Board must be notified by the CEO of any Change Order above the CEO's authorized limit at the next regularly scheduled Board meeting.

- 3. Emergency Purchases.** The CEO may authorize emergency expenditures for work, services, and/or goods where the cost exceeds the delegated authority limitations set forth in Table 1. The Board must be notified of any expenditures for emergency work, services and/or supplies exceeding the CEO's authorization limit at the next regularly scheduled Board meeting.



Exhibit B. Credit Card Purchasing Program and Procedures

- 1. Benefits.** The purpose of the use of credit cards is to establish a more efficient, cost-effective method of purchasing and payment for small-dollar transactions. Credit cards are designed to reduce a variety of processes including blanket orders, petty cash, and small dollar purchase orders. Efficiency is increased by obtaining goods and services in a quick and convenient way. These efficiencies allow FWA staff to be more effective and focus on the value-added aspects of their jobs.

- 2. Controls.** FWA credit cards are for use in support of official FWA business only. Use of a credit card is not intended to avoid or bypass appropriate purchasing procedures or replace effective procurement planning. Splitting of orders (if over the limits of the Purchasing Policy's authority and dollar limits) is prohibited. FWA uses internal management controls to manage and audit the process to ensure that procedures are followed for the use of credit cards, including but not limited to
 - A.** On a monthly basis, credit card statements will be reviewed by the accounting department against coded and approved credit card receipts submitted by card users to confirm all documentation has been received and approved.

 - B.** On at least a quarterly basis, within 90 days after the end of each quarter, each card holder's supervisor must review and approve the card holders' monthly statements for that quarter to ensure compliance with FWA's policies regarding use of the credit card. For the CEO's credit card statements, the COO or CFO is authorized to conduct the review.

- 3. Allowable Uses.** The FWA and store credit cards may be used for the following based on the Purchasing Policy:
 - A.** Conferences/Training/Seminars.

 - B.** Travel expenses for official FWA business.

 - C.** Fuel for FWA vehicles on extended trips.

 - D.** Emergency repairs to FWA vehicles when outside the local area.

 - E.** Special events as authorized by the CEO, COO, or CFO.

 - F.** Internet and small purchases as authorized by the CEO, COO, or CFO.



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4. Prohibited Uses. The FWA credit cards may **not** be used for non-FWA business for the following. Any misuse of a District credit card is considered improper use of District property and is subject to disciplinary action.

- A. Any personal items and personal services, even if the intent is to repay FWA at a later date.
- B. Cash advances, wire transfers, money orders, etc.
- C. Betting, casino gaming, or related activities.
- D. Court costs, fines, bail, or bonds.
- E. Rental or lease payments.
- F. Other prohibited/restricted uses as deemed by the CEO, COO, or CFO.

5. Credit Card Purchase and Statement Documentation Procedures. Card holders must complete the following steps with each credit card purchase:

- A. **Receipt Documentation Required.** For each purchase, the card holder must obtain a receipt from the vendor that includes, at a minimum, the vendor name and identification, date of purchase, amount of total purchase and description of items being purchased.
- B. **Business Reason and Coding.** On each receipt, the card holder must document the business reason for the purchase, provide the proper project code (in full), and sign the receipt acknowledging that the purchase was appropriate. In the case of meals, each receipt must include the names of all persons involved in the purchase and a brief description of the business purpose.
- C. **Processing.** Each card holder must submit coded and signed receipts as soon as practicable after each purchase is made to the accounting department. The accounting department is responsible for vouchering the charges against the identified project codes and ensuring that all monthly charges on each card holder's statement have the appropriate supporting documentation.
- D. **Missing Receipts.** In the event a receipt is misplaced and not available to turn in, the cardholder must provide the description, rationale for the missing receipt, proper coding for the charge, and signature on the card holder's statement confirming proper FWA use and conformity to FWA policy.



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- E. The accounting department will process all credit card billings in sufficient time to avoid late penalties and interest. Repeated failure by the cardholder to provide necessary documentation prior to each month's statement end date may result in the users' credit card privileges being suspended or revoked.
- 6. Billing Errors and Returned Items.** If a purchased item is billed incorrectly, the cardholder is responsible for contacting the vendor within ten (10) days after the date of the purchase on items in dispute that appear as transactions on the statement. The cardholder must note the transaction on the statement, indicating "questioned item", and provide a brief written explanation. If a purchased item is returned, the cardholder is responsible for contacting the vendor and requesting a credit transaction. The cardholder must note the transaction on the statement, indicating "pending credit".
- 7. Fraudulent Charges.** If fraudulent charges are discovered on the statement, the cardholder will immediately take the following actions:
- A. Notify the accounting department of the fraudulent charges.
 - B. Notify the credit card company of the fraudulent charges.
 - C. If necessary, initiate the process to cancel the card and have a replacement issued.
- 8. Lost or Stolen Credit Card.** Should a cardholder lose or have their FWA credit card stolen, it is their responsibility to contact the accounting department who will contact the credit card company immediately in order to have further use of the card blocked. Prompt action is necessary to reduce the FWA's liability for fraudulent charges.
- 9. Cardholder Changes.** Changes to an individual cardholder's name or address must be reported immediately to the accounting department. Upon leaving employment with FWA, the cardholder must return the FWA credit card to the accounting department prior to leaving FWA. The accounting department will keep a current listing of all credit card types, personnel issued credit cards, credit card numbers, credit limits and their uses. This list will be updated on, at least, an annual basis.
- 10. Authorization Form and Approval.** The CEO, COO, and CFO have the authority to approve individual FWA staff for use of a FWA credit card. Monthly limits will reflect anticipated business needs for the card holder and may be adjusted, as necessary, to reflect usage patterns.
- 11. Stewardship Standard.** The above guidelines cannot cover every issue, exception, or contingency that may arise in using FWA credit cards. Accordingly, the basic standard that will always prevail is to use common sense and good judgment in the use and stewardship



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of FWA resources.



Exhibit C. Additional Procedures for Federally-Funded Procurements.

In addition to the procedures outlined in the prior sections of this Policy, the following procedures apply to all procurements funded in whole or in part with Federal funds through a financial assistance agreement subject to the Federal Code of Regulations (CFR) 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Federal Procurement Standards). These procedures are *in addition* to FWA's standard policies and procedures for procurements. As such, except where these requirements and procedures replace or amend existing FWA requirements, existing FWA procurement policies are applicable (such as authorization thresholds for purchase requisitions and proposed procurements, the use of purchase requisitions, etc.). Given the unique requirements associated with Federally-funded procurements, CFO review and approval of the proposed procurement approach is required prior to initiation. To the extent any provision of this Policy is inconsistent with any applicable Federal Procurement Standards (due to amendment or otherwise), the current Federal Procurement Standards will apply.

A. Competition. All procurement transactions must be conducted in a manner to provide, to the maximum extent practical, open and free competition. FWA must be alert to organizational conflicts of interest as well as noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids and/or requests for proposals must be excluded from competing for such procurements. Awards must be made to the bidder or offeror whose bid or offer is responsive to the solicitation and is most advantageous to the FWA, price, quality and other factors considered. Solicitations must clearly set forth all requirements that the bidder or offeror must fulfill in order for the bid or offer to be evaluated by FWA. Any and all bids or offers may be rejected when it is in the FWA's interest to do so. In all procurements, FWA must avoid practices that are restrictive of competition. These practices include but are not limited to:

- (1) Placing unreasonable requirements on firms in order for them to qualify to do business,
- (2) Requiring unnecessary experience and excessive bonding,
- (3) Noncompetitive pricing practices between firms or between affiliated companies,
- (4) Noncompetitive awards to consultants that are on retainer contracts,
- (5) Organizational conflicts of interest,
- (6) Specifying only a brand name product instead of allowing an equal product to be offered and describing the performance of other relevant requirements of the procurement, and
- (7) Any arbitrary action in the procurement process.

B. Methods of Procurement.



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- (1) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the "Simplified Acquisition Threshold" fixed at 41 U.S.C. 403(11) (currently set at \$250,000) and where procurement by sealed bid is not required. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources to ensure that the selection process is competitive in accordance with these policies.

- (2) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction services and work if the following conditions are present:
 - (a) A complete, adequate, and realistic specification or purchase description is available;
 - (b) Two or more responsible bidders are willing and able to compete effectively for the business; and
 - (c) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.
 - (d) If sealed bids are used, the following requirements apply:
 - i. The invitation for bids will be publicly advertised and bids must be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids;
 - ii. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
 - iii. All bids will be publicly opened at the time and place prescribed in the invitation for bids;
 - iv. A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken; and
 - v. Any or all bids may be rejected if there is a sound documented reason.



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(3) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids or small purchase procedures. If this method is used, the following requirements apply:

- (a) Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be honored to the maximum extent practical;
- (b) Proposals will be solicited from an adequate number of qualified sources;
- (c) FWA will evaluate responses to its solicitations and select awardees in accordance with the procedures outlined in Section 5 below ("Procurement Procedures")
- (d) Awards will be made to the responsible firm whose proposal is most advantageous to FWA with price and other factors considered; and
- (e) FWA may use the competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. A procurement process where price is not to be used as a stated selection factor can only be used in procurement of A/E professional services.

(4) Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate.

- (a) Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and one of the following circumstances applies:
 - i. The item is available only from a single source;
 - ii. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
 - iii. The funding source specifically authorizes the use of noncompetitive proposals; or
 - iv. After solicitation of a number of sources, competition is determined inadequate.

- (b) Cost analysis, which includes verifying the proposed cost data, any



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forecast or projection of the data, and the evaluation of the specific elements of costs and profits, is required.

C. Procurement procedures. FWA will make reasonable efforts to ensure the following for all Federally-funded procurements:

- (1) Avoid purchasing unnecessary items.
- (2) Where appropriate, conduct an analysis of lease and purchase alternatives to determine the most economical and practical procurement.
- (3) For solicitations for goods and services, FWA will provide for all of the following:
 - (a) A clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description must not contain features which unduly restrict competition;
 - (b) Requirements and all other factors to be used in evaluating proposals submitted in response to solicitations;
 - (c) A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards;
 - (d) When relevant, the specific features of "brand name or equal" descriptions that are to be included in responses submitted to a solicitation;
 - (e) The acceptance, to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement; and
 - (f) Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources, protect the environment, and are energy efficient.
- (4) Take positive efforts to utilize small businesses, minority-owned firms, and women's business enterprises, whenever possible including:
 - (a) Ensure that small businesses, minority-owned firms, and women's business enterprises are used to the fullest extent practicable.
 - (b) Make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises.
 - (c) Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.
 - (d) Encourage, when practical, contracting with consortiums of small businesses, minority-owned firms and women's business enterprises



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- when a contract is too large for one of these firms to handle individually.
- (e) Use the services and assistance, as appropriate and practical, of such organizations as the Small Business Administration and the Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms and women's business enterprises.
 - (5) Ensure that the type of procuring instruments used (e.g., fixed price contracts, cost reimbursable contracts, purchase orders, and incentive contracts) are appropriate for the particular procurement and for promoting the best interest of the program or project involved. The "cost-plus-a-percentage-of- cost" or "percentage of construction cost" methods of contracting may not be used.
 - (6) Ensure contracts are executed only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration must be given to such matters as contractor integrity, record of past performance, financial and technical resources or accessibility to other necessary resources.
- D. Cost or Price Analysis.** Some form of cost or price analysis must be made and documented in the procurement files in connection with every procurement action above \$500 in value. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability and allowability.
- E. Procurement records** - Procurement records and files for purchases in excess of the simplified acquisition threshold as fixed at 41 U.S.C. 403(11) (currently \$250,000) must include the following at a minimum: (a) basis for contractor selection, (b) justification for lack of competition when competitive bids or offers are not obtained, and (c) basis for award cost or price.
- F. Contract administration.** A system for contract administration must be maintained to ensure contractor conformance with the terms, conditions and specifications of the contract and to ensure adequate and timely follow up of all purchases. FWA will evaluate contractor performance and document, as appropriate, whether contractors have met the terms, conditions and specifications of the contract.
- G. Debarment and Suspension.** No contract may be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or No procurement Programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension." Contractors with awards that exceed the simplified acquisition threshold must provide the required certification regarding its exclusion status and that of its principal employees. In order to ensure adequate documentation, prior to final award,



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all proposed procurements must be coordinated with the accounting department (generally the Project Accountant) to ensure that the proposed contractor (and their principal employees) are not listed as suspended or debarred in the appropriate Federal government system (currently SAM.gov). The accounting department (generally the Project Accountant) will provide back-up documentation to the originator to support the exclusion check prior to award.

H. Financial and Performance Progress Reporting. To ensure accurate and timely submission of financial status and performance progress reports required by the terms and conditions of each Federal Assistance Award (Grant or Cooperative Agreement), the following procedures apply:

- (1) **Roles and Responsibilities.** The FWA originator (or their designee) is primarily responsible for monitoring financial status and performance under each Federal Assistance Award. The accounting department (generally the Project Accountant) is responsible for assisting the FWA originator (or their designee) in ensuring compliance with the terms and conditions of the Federal Assistance Award, especially as it relates to accurate financial status reporting and audit compliance.
- (2) **Performance Progress Reports.** Within 30 days of the end of a reporting period (depending on the agreement's terms and conditions, the reporting period could be monthly, quarterly, semi-annual, or annual), the FWA originator (or their designee), in coordination with the accounting department (generally the Project Accountant), will complete and submit a performance progress report for the reporting period to the Grants Officer Technical Representative and Grants Officer at the Federal Awarding Agency.
- (3) **Financial Status Reports.** Within 30 days of the end of a reporting period (depending on the agreement's terms and conditions, the reporting period could be monthly, quarterly, semi-annual, or annual), the accounting department (generally the Project Accountant), in coordination with the FWA originator (or their designee), will complete and submit a financial status report for the reporting period and submit to the Grants Officer Technical Representative and Grants Officer at the Federal Awarding Agency.
- (4) **Final Reports.** Within 120 days of the end of the period of performance for each Federal Assistance Award, the originator (or their designee) and the accounting department (generally the Project Accountant) will prepare and submit final performance progress and financial status reports to the Grants Officer Technical Representative and Grants Officer at the Federal Awarding Agency, respectively.

I. Single Audit Act Compliance. To ensure compliance with the Single Audit Act



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requirements (2 CFR 200, Subpart F), the accounting department will ensure that the annual independent financial statement audit and associated Single Audit compliance procedures are completed by FWA's independent auditor within 9 months after the end of each fiscal year. In support of completing the Single Audit compliance procedures, the accounting department will prepare the Schedule of Expenditures of Federal Awards (SEFA) and maintain all associated financial source documentation for testing purposes.

J. Contract provisions. FWA will include, in addition to provisions to define a sound and complete agreement, the following provisions, as applicable, in all contracts. The following provisions will also apply to any subcontracts.

- (1) All contracts over the simplified acquisition threshold [41 U.S.C. 403(11)] must contain contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which a contractor violates or breaches the contract terms, and provide for such remedial actions as may be appropriate.
- (2) All contracts over the simplified acquisition threshold [41 U.S.C. 403(11)] must contain suitable provisions for termination, including the manner by which termination may be effected and the basis for settlement. In addition, such contracts must describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.
- (3) For contracts dealing with construction or facility improvements, FWA must comply with all requirements imposed by its funding sources (and the government regulations applicable to those funding sources) with regard to construction bid guarantees, performance bonds, and payment bonds.
- (4) All negotiated contracts over the simplified acquisition threshold [41 U.S.C. 403(11)] must include a provision to the effect that FWA must have access to any books, documents, papers and records of the contractor which are directly pertinent to a specific program for the purpose of making audits, examinations, excerpts and transcriptions.
- (5) All contracts awarded by FWA and their contractors must contain the following procurement provisions as applicable.
 - (a) Equal Employment Opportunity - All contracts, when funded in whole or part by monies derived from the Federal government (either directly or indirectly), must contain a provision requiring compliance with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment



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Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

- (b) Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 276c) - All contracts in excess of \$2,000 for construction or repair, when funded in whole or part by monies derived from the Federal government (either directly or indirectly) must include a provision for compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 CFR part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient is prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The recipient must report all suspected or reported violations to the Federal awarding agency.
- (c) Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7) - When required by Federal program legislation, all construction contracts awarded by the recipients and subrecipients of more than \$2,000 must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, contractors must be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The recipient must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract must be conditioned upon the acceptance of the wage determination. The recipient must report all suspected or reported violations to the Federal awarding agency.
- (d) Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333) - All contracts in excess of \$2,000 for construction contracts and in excess of \$2,500 for other contracts that involve the employment of mechanics or laborers, when funded in whole or part by monies derived from the Federal government (either directly or indirectly), must include a provision for compliance with Sections 102 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by Department of Labor regulations (29 CFR part 5).



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- (e) Rights to Inventions Made Under a Contract or Agreement - Contracts or agreements for the performance of experimental, developmental, or research work, when funded in whole or part by monies derived from the Federal government (either directly or indirectly), must provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.
- (f) Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended - Contracts and subgrants of amounts in excess of \$100,000, **when funded in whole or part by monies derived from the Federal government** (either directly or indirectly), must contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et seq.). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- (g) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) - Contracts for an amount above \$100,000, **when funded in whole or part by monies derived from the Federal government** (either directly or indirectly), must include a certification by the contracting parties that they have not and will not use Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352, and to further require disclosure of any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.



Exhibit D. Additional Procedures for State-Funded Procurements

For any project or program funded in whole or in part with grants or loans from the State of California, including State Revolving Fund loans and grants, the project manager will be responsible for meeting all procedures and requirements included in the agreement with the State. Because there may be additional procedures or sub-contract terms required for procurements funded in whole (or in part) with funding from the State, General Counsel and CFO review and approval is required prior to initiating any procurement, as well as prior to final award for all procurements funded in whole (or in part) with State funds.