



Delegating Procurement and Other Authorities

POL-FN-3000

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Delegating Certain Business Authorities

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This policy applies to any employee who has been delegated the authority to make certain financial, contractual, regulatory, or other business transactions on Community Transit's behalf.

Section 1: Delegating Authority to Employees to Make Procurement Decisions on Behalf of Community Transit.

[Table 1](#) summarizes procurement authority delegations.

[Table 1B](#) summarizes sole source procurement authority.

1.1. Delegated Procurement Authority Applies to All Procurements and Purchases Made on the Agency's Behalf.

1.2. Delegated Procurement Authority Applies to All Procurement Methods the Agency Allows.

Examples of procurement methods include, but are not limited to, requests for proposals, direct vouchers, requisitions, payment cards, and expense claims. Allowable procurement methods are defined in the agency's [Procurement Manual](#).

1.3. When Procuring Goods and Services, Employees Must Follow All Policies And Procedures Established To Regulate Agency Procurement Methods And Activities.

Employees with any level of Delegated Procurement Authority must follow procurement guidelines as provided in the agency's [Procurement Manual](#).

1.4. The Board of Directors Delegates \$250,000 of Authority to the CEO to Conduct Certain Real Estate Transactions.

[Resolution No. 8-07](#)

The CEO or designee may negotiate for and acquire [real property](#), real property interests, any damages to real property interests, and any necessary related expenses including, but not limited to, related personal property and relocation expenses which do not exceed \$250,000 per tax parcel, provided that the acquisition costs and/or damages can be funded within the adopted [annual budget](#) and any amendments thereto.

If the Board of Directors has approved the parcel or listing of parcels to be acquired, the CEO or designee may negotiate for and acquire real property, real property interests, any damages to real property interests, and any necessary related expenses including,

but not limited to, related personal property and relocation expenses which exceed \$250,000 per tax parcel, provided that the acquisition costs and/or damages can be funded within the adopted annual budget and any amendments thereto.

1.5. The Board of Directors Delegates \$150,000 of Procurement Authority to the Chief Executive Officer (CEO).

[Resolution Nos. 05-11 and 01-17](#)

Resolutions [05-11](#) and [01-17](#) delegate procurement authority to the CEO up to a total of \$150,000 for a [single-term contract](#) or for any single year in a [multiyear contract](#) (including option years in multiyear contracts).

For most procurements valued at more than \$150,000, the Board of Directors must approve the procurement. Exceptions to this requirement are allowed for some routine business activities including, but not limited to, settlements of claims for taxes or damages, payroll disbursements, insurance purchases, emergency procurements, and proprietary purchases such as utilities, postage, or city and county permits. Resolution [05-11](#), paragraph 4, contains a complete list of exceptions and should be consulted before finalizing any procurement amounting to more than \$150,000.

When the CEO is absent or otherwise unavailable, this authority may be delegated to any member of the [Executive Leadership Team](#) (ELT) or to another staff member as needed.

1.6. The CEO Delegates Procurement Authority to Other Employees.

The CEO delegates procurement authority to [Executive Leadership Team](#) members as listed in [Table 1](#). This delegation includes authority for [sole-source procurements](#).

The CEO authorizes Executive Leadership Team members to further delegate procurement authority to their staff in one of the allowable amounts specified in [Table 1](#). This delegation excludes authority for sole-source procurements.

In [departments](#) where deputy directors exercise \$100,000 in Delegated Procurement Authority, the CEO authorizes such deputy directors to further delegate procurement authority to their subordinates. These delegations exclude sole-source procurements.

The CEO delegates procurement authority as specified in [Table 1](#) to Procurement Division staff for purchases made using any approved agency purchasing method. This delegation excludes authority for sole-source procurements except for emergency purchases as defined in [Resolution No. 5-11](#), Section 4.12, or in any subsequent resolutions addressing agency emergency management policies.

These delegations include authorization to approve expense claims.

1.7. The CEO Delegates Procurement Authority for Parts Procurements to Parts Inventory Employees.

The CEO delegates \$50,000 in purchase authority to the Parts Inventory Manager for the purchase of parts, tools, chemicals, oils and lubricants, or other equipment and services required to service and maintain agency [rolling stock](#) or to maintain supply inventories for other agency programs. This delegation includes authority for sole-source purchases. The Parts Inventory Manager shall receive guidance from the Procurement and Contracts Manager before exercising this purchase authority.

For established contracts and under guidance of Parts Inventory Manager, Parts Inventory staff may purchase parts, supplies, goods, and services in support of the Maintenance and other departments up to the limits set forth in each contract.

1.8. If the CEO or Authorized Designee Declares a State of Emergency, Certain Provisions of This Policy May Be Temporarily Suspended.

Resolutions, policies, and procedures established to manage emergencies and in effect at the time of the emergency may temporarily take precedence over the provisions of this policy. Depending on the scope of the declared emergency, employees should continue to follow this policy to the extent practical.

1.9. The Board of Directors May Reappropriate Unexpended Capital Project Funds When Adopting the [Annual Budget](#).

If the Board of Directors includes capital project reappropriation language in their resolution approving the annual budget, staff have authority to roll over existing open capital program purchase orders for the new budget year.

1.10. The CEO, Members of the Executive Leadership Team, Department Deputies, and Procurement Division Staff Have Delegated Procurement Authority Upon Hire.

Other employees who are newly hired, promoted, transferred, or reclassified into other positions may be granted Delegated Procurement Authority while they are still in any required [probationary period](#). Employees who are in a probationary status due to performance issues may have Delegated Procurement Authority revoked and not reinstated until they have successfully completed their performance-related probation.

1.11. Delegated Procurement Authority Must Be Verified Annually.

The Chief Financial Officer or designee maintains a list of all employees with Delegated Procurement Authority. The list includes the procurement limit for each employee and the [budget center](#)(s) where that authority is valid. The Chief Financial Officer or designee updates the list annually and posts the updated list in a location accessible to agency employees who need this information as part of their normal work assignment.

Between annual updates, department heads and/or department deputies notify the Chief Financial Officer or designee when an employee receives initial Delegated

Procurement Authority or when an employee's Delegated Procurement Authority changes.

1.12. Employees Receiving Initial Delegated Procurement Authority Receive Training As Needed.

The Procurement and Contracts Manager or designee ensures that employees with initial Delegated Procurement Authority receive training regarding their responsibilities on an as-needed basis.

Section 2: *Authorizing Employees to Enter Into Contracts on the Agency's Behalf*

Table 2 summarizes contract authority delegations.

2.1. The CEO Is Authorized to Negotiate and Execute All Contracts for the Agency.

Resolution Nos. 05-11 and 01-17

The Board of Directors has authorized the CEO to negotiate and execute all contracts up to \$150,000. The CEO may also execute contracts over \$150,000 that Resolution 05-11, paragraph 4, exempts from prior Board approval. All contracts are subject to the limits set in the approved annual budget.

When the CEO is absent or otherwise unavailable, this authority may be delegated to a member of the Executive Leadership Team or other staff as business needs dictate.

2.2. The Board of Directors Approves Collective Bargaining Agreements.

The CEO is authorized to execute labor agreements after Board approval. The CEO approves and executes memorandums of understanding with labor unions within the budgetary constraints noted in Section 2.1. Contract authority for these documents is reserved for the CEO unless the CEO is absent or unavailable for more than a temporary period and authority is expressly delegated.

2.3. The CEO Approves Grant and Interlocal Agreements Subject to the Constraints Outlined in Section 2.1.

Interlocal and grant agreements require legal review. If approval by the Board of Directors is required, the CEO executes such agreements after Board approval. If approval by the Board of Directors is not required, the CEO approves and executes these agreements. Contract authority for these agreements is reserved for the CEO unless the CEO is absent or unavailable for more than a temporary period and authority is expressly delegated.

2.4. [The CEO Delegates Authority to Executive Leadership Team Members to Enter into Contracts on Community Transit's Behalf.](#)

The CEO delegates authority to the Chief Operating Officer to executive contracts up to \$150,000 in value for the Maintenance, Transportation, and Safety, Security, and Sustainability Departments.

The CEO delegates authority to the Chief Financial Officer to execute contracts up to \$150,000 for the Finance and Administration Department and items 4.1 through 4.11 in the Resolution No. 05-11.

The CEO delegates authority to other Executive Leadership Team members to negotiate and execute contracts up to \$100,000 in value for their respective departments. Department deputies are also delegated up to \$100,000 in contract authority for their respective departments.

All delegations are subject to the approved [annual budget](#) and the contract exceptions noted in Sections 2.2 and 2.3.

2.5. [Under Some Circumstances Procurement and Contracts Manager May Execute Contracts with value up to \\$10,000.](#)

The Procurement and Contracts Manager must complete a risk assessment and determine if legal review is required. If legal review is required, the contract must be executed by a member of the Executive Leadership Team.

2.6. [Staff May Develop Contracts That Serve General Business Purposes.](#)

In conjunction with legal counsel, staff may develop and use contracts that serve other general business purposes including, but not limited to, employment contracts, facilities use contracts, interlocal agreements, and contracts to receive grants and other forms of revenue.

The Procurement and Contracts Manager participates in the development and review of any contract that involves procurement activity.

2.7. [The Procurement and Contracts Manager May Develop Approved-As-To-Form Contracts.](#)

If appropriate for the business needs, approved-as-to-form contracts may be developed for routine contracting purposes. All contract requirements, restrictions, or exceptions described elsewhere in this policy apply to approved-as-to-form contracts.

Contracts are considered approved-as-to-form only if Community Transit's attorneys have reviewed and approved the contract text and any preset, fill-in-the-blank fields in advance of actual use. Field variables may include, but are not limited to, vendor name, address, term (length) of the contract, and the cost of goods or services being provided.

2.8. Agency Legal Counsel Reviews Most Contracts Before Employees Finalize and Execute Them.

In general, legal counsel reviews all contracts, regardless of the monetary value of the contract. [Approved-as-to-form](#) contracts that require more than nominal modification must go through a full legal review and approval process. Legal counsel reviews collective bargaining agreements, memorandums of agreement with labor unions, and interlocal agreements without exception.

2.9. Contracts for Micro Purchases May Not Require Legal Counsel Review.

The Procurement and Contracts Manager or designee conducts a risk assessment on contracts for micro purchases to determine if legal review is needed.

2.10. Procurement Staff Exercise Agencywide Contract Responsibilities.

The Procurements and Contracts Manager or designee reviews agency contracts to ensure compliance with procurement laws, rules, terms and conditions of the vendor's offer, pricing, and other matters related to procurement activities.

2.11. The Procurement and Contracts Manager Signs All Contracts Issued As Standard Purchase Orders by the Procurement Division.

2.12. The CEO May Delegate Authority to Project Managers to Authorize Change Orders to Public Works Projects in Progress.

The CEO may delegate authority to project managers to authorize change orders for specific projects. The delegation must identify at a minimum: project name, delegated amount, reason for the delegation, and name of the employee to whom the authority is delegated.

This delegation is independent of the contract authority delegations listed elsewhere in this policy or in its tables.

Section 3: Approving Invoices for Payment

[Table 3](#) summarizes who may approve invoices for payment.

3.1. Employees Who Approve Invoices Ensure That Community Transit's Funds Are Expended Appropriately.

Before any invoice is approved for payment processing, employees authorized to approve invoices must ensure that:

- The purchase is an appropriate use of public funds.
- The purchase was correctly authorized by an employee with the authority to approve the procurement.

- The purchase was made in compliance with all Community Transit procurement policies and procedures.
- The goods delivered, services rendered, or work completed is of the quantity and quality as ordered.
- The invoice meets all relevant purchasing and contractual requirements, including pricing and other charges, as well as any contractual terms that existed for the purchase of the good or service.
- The invoice is accurate.
- The invoice has been coded to the correct fund, [budget center](#), [account](#)(s), and, if required, project.
- There are funds available in the budget to cover the amount of the invoice.
- Employees who approve invoices must do their part to meet contractual payment timelines.

3.2. *Employees Contact Procurement Staff For Advice On How To Proceed if Goods Or Services Received Are Not As Expected.*

3.3. *Employees May Approve Partial Payments to Meet Contractual Requirements, if Contract permits.*

3.4. *The CEO May Approve Any Agency Invoice.*

The CEO also delegates this authority to the Chief Financial Officer. The Chief Financial Officer delegates standing authority to the Controller/Director of Finance to approve any agency invoice in the absence or unavailability of the Chief Financial Officer.

3.5. *Executive Leadership Team Members and Department Deputies Approve Invoices Within Their Approved [Budgets](#).*

Subject to the constraints of the approved budget, department heads may approve invoices in any amount which expend funds budgeted in operating or capital budgets they are responsible for managing.

3.6. *Employees With Delegated Procurement Authority May Approve Invoices.*

Subject to the constraints of the approved budget, employees with procurement authority may approve invoices in any amount which expend funds budgeted in operating or capital budgets where they exercise procurement authority.

3.7. *Executive Leadership Team Members and Department Deputies May Further Delegate Invoice Approval Responsibility Within Their Departments.*

As directed by their Executive Leadership Team member or Department Deputy and subject to the constraints of the approved budget, employees who do not exercise

procurement authority may also approve invoices expending funds budgeted in their department's operating or capital budgets.

3.8. Every Employee Who Approves Invoices Must Meet All Criteria Listed in Section Error! Reference source not found..

3.9. Employees Approve Invoices or Expense Claims Only for Expenditures From Operating or Capital Budgets Where Their Department Exercises Budgetary Responsibility.

When an invoice is charged to more than one [budget center](#) in any operating or capital budget, it may require more than one employee to approve it. Invoices charged to more than one department's operating or capital budget almost always require more than one employee to approve them.

3.10. The Parts Inventory Manager Approves Invoices for Certain Parts Expenditures Budgeted in Maintenance and Other Department Accounts.

The Executive Leadership Team member or Department Deputy determines which expenditures the Parts Inventory Manager may approve. For items stored in Parts and funded by another department, the Parts Inventory Manager has authority to approve invoices. When the Parts Inventory Manager is absent or otherwise unavailable, another Procurement or Parts staff member may approve such invoices.

3.11. Invoices for Nonstocking Consumable Items May Be Approved Using a Sampling Method.

The Parts Inventory Manager will determine which invoices to sample and how the sampling will be conducted. If pricing errors are detected, the Parts Inventory Manager will verify that previous purchases of the item were invoiced at the correct price and will work with the vendor to ensure that future invoices are correct and that credits are issued as appropriate. The Parts Inventory Manager determines when to pursue price discrepancies. If pricing issues result in contract noncompliance, other remedies may be required.

3.12. Finance and Employee Engagement Staff Approve Invoices for Employee Benefits, Employment Taxes, Insurances, Retirement, and Other Like Employee-Related Expenses.

Authorization to approve invoices for such expenses does not depend on delegation from an Executive Leadership Team member or Department Deputy, nor from an individual employee's Delegated Procurement Authority. This authorization results from the usual job responsibilities performed by Finance and Employee Engagement staff during the normal course of business. For clarity of individual delegation, please check with Controller/Director of Finance or Budget Manager.

When approving invoices for the expenses described in this Section 3.12, Finance and Employee Engagement staff must follow the guidelines for invoice approval listed in Section **Error! Reference source not found.** and ensure due diligence.

Section 4: Authorizing Release of Payments

[Table 4](#) summarizes delegations for release of payments.

4.1. The Board of Directors Delegates Authority to the CEO to Review Expenditure Approval Lists and Release Payments.

[Resolution No. 31-94](#)

The CEO delegates authority to the CFO to review expenditure approval lists and approve release of payments before the Board takes formal action to approve the listed expenditures.

When the CEO and CFO are absent or unavailable, this authority may be delegated to the Chief Operations Officer or a Community Transit Executive Leadership Team member.

4.2. In Most Cases, Funds May Not Be Released for Payment Before Goods or Services Are Received.

In general Community Transit does not release funds for payment in advance of the satisfactory receipt of goods or services. However, funds may be released for advance payment when any of these criteria are met:

- Prepayment is a customary and appropriate business practice.
- Prepayment is required.
- Prepayment offers an advantage to Community Transit.

Examples of allowable prepayments include, but are not limited to, payment of conference or training registration fees, payment of hotel room-hold fees, rental fees, insurance premiums, custom orders for goods, and in cases where a substantial discount is offered for prepayment.

4.3. The CEO or Alternatively The CFO May Authorize the Early Release of Payments in Any Amount.

In general, early release of a payment is approved only when there is a business need that meets one of these criteria:

- The payment must be made to meet another agency's deadline or a regulatory requirement, such as PERS payments made to the Washington State Department of Retirement Systems.

- The agency will suffer a business impact if the payment cannot be made before the entire expenditure approval list is ready.

All required purchase approvals and appropriate [accounts](#) payable and audit procedures must be completed before an early release of payment can be approved.

4.4. The CEO Delegates Standing Authority to the Chief Financial Officer for Early Release of Payments in any amount and to the Controller/Director of Finance for Early Release of Payments up to \$75,000.

The Chief Financial Officer (CFO) has standing authority to approve early release of payments in any amount.

The Controller/Director of Finance has standing authority to approve early release of payments if the Chief Financial Officer is absent or unavailable.

Section 5: Authorizing [Budget](#) Transfers

[Table 5](#) summarizes budget transfer delegations.

5.1. The Board of Directors Must Approve All Budget Transfers Between Funds.

The Budget Manager or designee prepares budget amendments as required to handle interfund transfers and other budget adjustments. These amendments are submitted to the Board of Directors for their approval, usually at midyear and year-end, but may be submitted whenever there is a business need.

5.2. The CEO Is Authorized to Approve Budget Transfers in Any Amount Within a Single Fund.

Budget adjustments within a single fund should total at least \$5,000, unless excepted by Chief Financial Officer or Budget Manager.

5.3. The CEO Delegates Authority to Approve Budget Transfers to Certain Other Employees.

The Chief Financial Officer is authorized to approve any budget transfer totaling up to \$150,000 so long as the transfer is within a single fund. The transfer may be within or between departments or projects. In the absence or unavailability of the CEO, the Chief Financial Officer has standing authority to approve transfers at the CEO's level of authority.

The CEO delegates authority to the Budget Manager to approve any budget transfer totaling up to \$100,000 so long as the transfer is within a single fund. In the absence or unavailability of the Chief Financial Officer, the Budget Manager has standing authority to exercise the Chief Financial Officer's budget transfer authority.

The CEO delegates authority to Executive Leadership Team members to approve intradepartmental budget transfers totaling up to \$100,000 so long as the transfer is within a single department's adopted operating budget.

5.4. The Budget Manager Must Concur With All Proposed Budget Transfers In Any Amount Before Such Transfers Are Finalized.

The Budget Manager will inform the CEO about pending budget transfers as necessary.

In the absence or unavailability of the Budget Manager, the Controller/Director of Finance will review and concur with all budget transfers before such transfers are finalized.

5.5. The Budget Manager May Approve Certain Other Budget Adjustments.

The Budget Manager may approve these budget adjustments:

- Amounts of less than \$5,000 within a single fund should these small adjustments be necessary.
- Transfers of approved salary, wage, and benefit budgets from one [budget center](#) to another when employees are moved from one budget center to another at the beginning of a budget year.

5.6. Budgets Are Managed at the [Budget Center Level](#), Not the [Account Level](#).

Transfers between accounts in the same budget center are not required. Should such a transfer be requested, the Budget Manager may determine whether or not it is in the agency's best interests to make such a transfer.

Section 6: Authorizing the Release of Surplus Property

[Table 6](#) summarizes surplus property authorities.

6.1. The Board of Directors Has Delegated to the CEO the Authority to Declare Agency Property with a Net Book Value of Less Than \$10,000 Per Item as Surplus.

[Resolution No. 3-95](#)

The CEO reviews all surplus property listings and gives the Board of Directors at least two weeks to review said listings. The CEO's signature on the property listing indicates that the listed property has been declared surplus property and is released for sale, for delivery to an agent who will sell the property on the agency's behalf, or for disposal by other means.

For items with a net book value over \$10,000, the Board of Directors must approve the surplus declaration.

6.2. The CEO Delegates Authority to the Procurement and Contracts Manager for Managing the Surplus Program.

[Table 6](#) summarizes surplus property authorities.

The Procurement and Contracts Manager shall manage the surplus program and seek CEO approval before an item can be surplus, in compliance with Board Resolutions [10-90](#); [03-95](#); [21-97](#); [15-99](#); [07-01](#); [08-01](#); [08-02](#); [08-04](#); [06-05](#); and [08-05](#). The Procurement and Contracts Manager or the Budget Manager signs surplus vehicle titles.

Departments who have control of assets or items that though small have high return value that need to be surplus must inform the Procurement and Contracts Manager. If the asset is federally funded, the Grants Manager must also be informed.

Section 7: *Delegating Authority for the Annual USDOL¹ OSHA² 300 Report*

7.1. Community Transit Complies with the Occupational Safety and Health Act of 1970 (OSH Act).

The OSH Act requires covered employers to submit a summary record of required statistics at the end of each calendar year.

7.2. A Company Executive Must Review and Certify the Summary.

The USDOL requires that the executive tasked with certification should meet one or more of these requirements³:

- Be a senior establishment management official.
- The head of the agency for which the senior establishment management official works.
- Any management official who is in the direct chain of command between the senior establishment management official and the head of the agency.

Certification means that the executive has examined the records and has a reasonable belief, based on knowledge of the process by which the information was recorded, that the records are accurate and complete. The executive's signature on the summary documents constitutes certification. See the OSHA website for further information:

[Federal agency certification of the injury and illness annual summary \(OSHA 300-A or equivalent\). - 1960.67 | Occupational Safety and Health Administration](#)

¹ USDOL: acronym for the United States Department of Labor

² OSHA: acronym for the Occupational Safety and Health Administration

³ These criteria are taken from the USDOL website.

7.3. The CEO Delegates Authority to the Deputy Director of Safety, Security, and Sustainability to Certify Community Transit's Annual USDOL OSHA 300 Report.

Employee Engagement staff prepare Community Transit's annual report. The Deputy Director of Safety, Security, and Sustainability provides a copy of the certified report to the agency CEO.

Section 8: Administering this Policy

8.1. The CEO Approves Policy Content Revisions.

The Chief Financial Officer may approve housekeeping adjustments, such as changes to employee titles, or content changes required to comply with Board resolutions, regulations, or other valid requirements. Executive Department staff post the revised policy to the agency's official policy repository.

8.2. The Chief Financial Officer Approves Procedures, Tasks, and Forms Relevant To This Policy.

Executive Department staff post procedures, tasks, and forms to the agency's official policy repository. Finance and Administration Department staff post forms to the agency form template location or to other locations as needed to efficiently conduct agency business.

8.3. The Chief Financial Officer Administers This Policy.

The Chief Financial Officer ensures that this policy is applied and followed throughout the agency.

Approved by: <u>Ric Ilgenfritz</u>	Original Policy Written By: Cherrill Mears
Date Approved: <u>4/7/2023</u>	2023 Update: Kunjan Dayal
Cancels or Supersedes: Delegating Purchase and Other Authorities, effective January 31, 2020.	
Last Reviewed: November 2020	
See Also: Resolution No. 5-11 Resolution No. 01-17 Agency Procurement Manual	

Table 1: Purchase Authority

(See Table 1B for sole source purchase authority.)

 Click arrow to return to Section 1		
Position	Purchase Authority	
Board of Directors	Any Amount	
Chief Executive Officer (CEO)	\$ 250,000	For certain real estate transactions. With Board approval, the CEO may authorize certain real estate transactions in excess of \$250,000. Workflow delegation.
Chief Executive Officer	\$ 150,000	The Board delegates \$150,000 of procurement authority to the CEO. With Board approval, the CEO also has procurement authority over \$150,000. Workflow delegation.
Chief Operating Officer (COO)	\$150,000	The CEO delegates this authority to the COO for the Maintenance; Transportation; and Safety, Security, and Sustainability Departments. Workflow delegation.
Chief Financial Officer (CFO)	\$150,000	The CEO delegates this authority to the CFO for the Finance and Administration Department and items 4.1 through 4.11 in the Resolution No. 05-11
Executive Leadership Team members acting as the CEO.	\$150,000	As delegated, may exercise the CEO's level of authority when the CEO is absent or otherwise unavailable. Workflow delegation.
Executive Leadership Team members other than COO	\$ 100,000	Workflow delegation.
Department Deputy Directors	\$ 100,000	May exercise the department head's level of authority. Workflow delegation.
Department Managers/ Budget Center Leads, Other Employees as Business Needs Dictate	\$ 20,000	Workflow delegation.
Parts Inventory Manager	\$ 50,000	Due to unusual supply chain challenges, may exercise authority under guidance of Procurement and Contracts Manager, for parts procurements.
Procurement Staff	\$ 20,000	Generally for emergency or policy exception use.
Other Employees as Business Needs Dictate	\$ 5,000/ \$ 2,000	Workflow delegation. Direct Voucher or P-Card purchases.

Table 1B: Sole Source Authority

 Click arrow to return to Section 1		
Position	Sole Source Purchase Authority	
Procurement and Contract Manager	Review and Approve	Must review and approve all sole source procurements.
Board of Directors	Any Amount	Has authority for sole source purchase decisions.
Chief Executive Officer (CEO)	\$ 150,000	The Board delegates \$150,000 of general procurement authority to the CEO. With Board approval, the CEO also has procurement authority over \$150,000. This delegation includes sole-source authority.
Chief Operating Officer (COO)	\$150,000	This delegation of sole-source authority applies to Maintenance, Transportation, and Safety, Security, and Sustainability Departments.
Chief Financial Officer (CFO)	\$150,000	This delegation of sole-source authority applies to Finance and Administration Department.
Executive Leadership Team Members other than the COO	\$ 100,000	This delegation includes sole-source authority.
Parts Inventory Supervisor	\$ 20,000	Includes sole-source authority for parts purchases.
Department Managers/ Budget Center Leads		No sole-source authority.
Other Employees as Business Needs Dictate		No sole-source authority.

Table 2: Contract Authority

 Click arrow to return to Section 2	
Position	Contract Authority ⁴
Board of Directors	Procurements over \$150,000 unless exempted per Board Resolutions <u>05-11</u> and <u>01-17</u> . Only the Board may approve labor contracts.
Chief Executive Officer	Up to \$150,000 without Board approval for any contract. Over \$150,000 with prior Board approval for any contract. Over \$150,000 for contracts exempted from Board approval by Resolution <u>05-11</u> . The CEO approves interlocal agreements; memorandums of understanding with labor unions; and grants and other revenue agreements.
Executive Leadership Team Members acting for the CEO	May execute contracts at the CEO's level of authority when the CEO is absent or otherwise unavailable.
Chief Operating Officer	Up to \$150,000 for the Maintenance, Transportation, and Safety, Security, and Sustainability Departments for any contract except interlocal agreements, labor contracts, and memorandums of understanding with labor unions.
Executive Leadership Team Members and Deputy Directors	Up to \$100,000 for any contract except interlocal agreements, labor contracts, and memorandums of understanding with labor unions.
Project Managers	As delegated by the CEO for change orders. The delegation must include the project name, number, or other ID; the change order amount to be delegated, the business reason for the delegation, and the name of the person to whom the authority is being delegated.
Legal Counsel	Review and concurrence on all contracts before execution. Exceptions <ol style="list-style-type: none"> 1. Approved-as-to-form contracts 2. Contracts for some micro purchases after risk assessment by Procurement and Contracts Manager.
Manager of Procurement and Contracts	Review and concurrence on all contracts before execution. If after risk assessment of contracts and if legal review is not required, may execute contracts up to \$10,000.

⁴ Includes grant agreements and interlocal agreements.

Table 3: Authority to Approve Invoices for Payment

 Click arrow to return to Section 3	
<i>Position</i>	<i>Invoice Approval Authority</i>
Chief Executive Officer	Any agency invoice.
Chief Financial Officer	Any agency invoice.
Controller/Director of Finance	Exercises the Chief Financial Officer's authority in the absence or unavailability of the Chief Financial Officer.
Department Heads	Any invoice for purchases made with funds from any budget center in their department's approved budget or from any approved project budget assigned to their department.
Division Managers/Other Staff With Knowledge of the Purchase	Any invoice for purchases made with funds from approved operating or capital budgets they are responsible for Section 3.1 explains what purchase knowledge is required to approve an invoice for payment.
Parts Inventory Manager	Certain invoices for purchases made on behalf of the Maintenance or other departments.
Finance and Employee Engagement Staff	Invoices for employee benefits, employment taxes, insurances, retirement, and other like employee-related expenses.
Other Staff	As determined by their department head so long as they meet the criteria listed in Section Error! Reference source not found.

Table 4: Authority for Release of Payments

 Click arrow to return to Section 4	
<i>Position</i>	<i>Payment Release Authority</i>
Chief Executive Officer	Any payment in any amount including early releases.
Chief Financial Officer	Any payment in any amount including early releases.
Controller/Director of Finance	Up to \$75,000 per payment for early release of payments. Exercises the Chief Financial Officer's authority when the Chief Financial Officer is absent or otherwise unavailable.

Table 5: Budget Transfer Authority

 Click arrow to return to Section 5	
Position	Budget Transfer Authority
Board of Directors	Transfers in any amount within a single fund or between funds.
Chief Executive Officer	Transfers in any amount within a single fund.
Chief Financial Officer	Transfers up to \$150,000 within a single fund. In the absence or unavailability of the CEO, has standing authority to exercise the CEO's level of authority.
Budget Manager	Transfers up to \$100,000 within a single fund. Concurs with all proposed budget transfers before final approval. In the absence or unavailability of the Chief Financial Officer, has standing authority to exercise the Chief Financial Officer's level of authority.
Controller/Director of Finance	In the absence or unavailability of the Budget Manager, has standing authority to exercise the Budget Manager's level of authority
Department Heads	Intradepartmental transfers up to \$100,000 within their department's adopted operating budget.

Table 6: Authority to Declare Property as Surplus

 Click arrow to return to Section 6	
Position	Authority to Declare Property as Surplus
Chief Executive Officer	All declarations, subject to required prior Board notice.
Budget Manager or Procurement and Contracts Manager	May sign all surplus vehicle titles.

Table 7: Authority to Certify USDOL OSHA 300 Report

 Click arrow to return to Section 8	
<i>Position</i>	<i>Authority to Certify the USDOL OSHA 300 Report</i>
Chief Executive Officer	Agency certification.
Director of Employee Engagement	Agency certification.
Deputy Director of Safety, Security, and Sustainability	Agency certification.

Table 8: Glossary

Links in the *Term or Acronym* column return you to the first use of the term in the policy. Links in the *Section Reference* column return you to the specific section where the term was used.

Term or Acronym	Definition	Section Reference
Account	A numerical chart field that describes the nature of an expenditure or revenue.	3.1 , 3.10 , 4.3 , 5.6 , Table 1
Annual Budget	A financial and operating plan that establishes a budget for a single fiscal year only.	1.4 , 1.9 , 2.1 , 2.4 ,
Approved-as-to-Form Contract	Any Community Transit original contract consisting of standardized, predetermined language and input fields for required variables.	2.7 , 2.8 , Table 2
Budget	A plan for revenues and expenditures, according to a set of strategic decisions made by agency leadership, which is approved annually by the Board of Directors. The budget funds initiatives and controls expenditures within set boundaries.	3.5 , 3.9 , Section 5 , Table 5
Budget Center	A unit within the organization used for tracking actual expenditures and comparing them to an approved budget to ensure managerial control.	1.11 , 3.1 , 3.9 , 5.5 , 5.6 , Table 3
Budget Transfer	A reassignment of budget authority from one budget center to another to provide funding for another allowable public purpose.	
Chartfield	A term used to describe the fields that segregate and categorize a transaction. At Community Transit these include funds, budget centers (also known as departments), accounts, and projects.	
Collective Bargaining Agreement (CBA)	A written legal contract between an employer and a union representing employees. Once a CBA is reached, both the employer and the union are required to abide by that agreement.	2.2 ,
Contract	1. An obligation, such as an accepted offer, between competent parties upon a legal consideration, to do or abstain from doing some act. The essential elements of a contract are an offer and an acceptance of that offer; the capacity of the parties to contract; consideration to support the contract; a mutual identity of consent; legality of purpose; and definiteness.	Section 2 , 2.4 , 2.6 , 2.7 ,

Delegating Purchase and Other Authorities

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Term or Acronym	Definition	Section Reference
	<p>2. A legally binding promise, enforceable by law.</p> <p>3. An agreement between parties with binding legal and moral force, usually exchanging goods or services for money or other considerations.</p>	
Delegated Contract Authority	An employee’s individual authority to execute a contract on behalf of Community Transit.	
Delegated Procurement Authority	An employee’s individual authority to make a purchase or initiate a procurement on behalf of Community Transit.	1.1 , 1.2 , 1.5 , 1.9 , 1.11 , 1.12 , 3.11
Department	A major unit of a company, organization, or government entity.	1.6 , 1.5 ,
Employment Contract	Resolution 05-11 , paragraph 4.2 makes this statement regarding employment contracts: “Contracts of employment, whether negotiated through duly authorized labor representative or not, and payroll disbursement or any other payments incidental to such contracts (including contracted employees). Washington State is an “at-will” employment state. Community Transit has three collective bargaining agreements in force that cover 70 percent of all employees. Members of the Executive Leadership Team have individual employment agreements. The remaining employees are covered by the agency personnel policy. All employees are covered by Washington State laws.	1.4 ,
Executive Leadership Team (ELT)	Executive Leadership Team members are department heads.	1.5 , 1.6 , 2.4 ,
Expense	The economic costs a business or government incurs through its operations to earn revenue or provide a service.	
Fiscal Year	A twelve-month period to which the annual approved operating budget applies; also, the segment of time in which an entity measures its financial results.	
Fund	An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities.	

Delegating Purchase and Other Authorities

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Term or Acronym	Definition	Section Reference
Interlocal Agreement	A contract between a local government and other public agencies for the purpose of cooperatively sharing resources for mutual benefit. Interlocal agreements are authorized by RCW 39.34 .	2.3 ,
Micro Purchase	A purchase amounting to less than \$10,000.	2.5 ,
Multiyear Contract	A contract whose term extends for more than one year and may include optional extension years following the original number of term years, such as a contract for transit services with a five-year term and five one-year optional extension years. Optional extension years must be approved separately for each optional year.	1.5 ,
Probationary Period	A probationary period is a length of time when a new employee or an existing employee is under evaluation, receives training, or extra supervision either to learn the job or improve their performance. For new employees at Community Transit or existing employees promoted into new jobs, the probationary period is 180 days.	1.10 ,
Procurement	All functions that pertain to purchasing, renting, leasing, or otherwise obtaining any supplies, goods, services, or construction, including description of requirements; selection and solicitation of sources; preparation and award of contract; and all phases of contract administration which may include traffic and transportation, receiving, inspection, storekeeping, inventory control, salvage, and disposal operations.	1.1 ,
Procurement Method	Any process or instrument the agency approves for use to obtain goods and services. Examples of procurement methods include, but are not limited to, requests for proposals, direct vouchers, requisitions, payment cards, and expense claims.	1.1 ,
Project	A temporary endeavor to create a unique product, service, or result, which has a defined beginning and end time as well as a defined scope and resources.	
Purchasing	Obtaining, renting, or leasing needed goods or services without a long-term contract or ongoing relationship with the vendor.	1.1 ,

Delegating Purchase and Other Authorities

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Term or Acronym	Definition	Section Reference
Real Property	The land itself, whether laid out in town lots or otherwise, and all buildings, structures or improvements or other fixtures of whatsoever kind thereon. See RCW 84.04.090 .	1.4 ,
Revenue	Income received by Community Transit to conduct services that support the mission of organization. Income may be in the form of sales tax, passenger fares, grants, interest earnings, and other sources.	
Rolling Stock	According to FTA Buy America regulations (49 CFR Part 661.3): transit vehicles such as buses, vans, cars, railcars, locomotives, trolley cars and buses, and ferry boats, as well as vehicles used for support services. Vehicles used for support services includes motorized equipment such as forklifts.	1.7 ,
RCW	Revised Code of Washington—the laws of the State of Washington.	
Single-Term Contract	A contract that does not offer optional extension years. A single-term contract may be for any designated length of time as specified in the contract documents.	1.5 ,
Sole-Source Procurement	A sole source procurement occurs when Community Transit requires supplies or services available from only one responsible source, and no other supplies or services will satisfy its requirements, the agency may make a sole source award	1.6 ,