

Procurement and Reporting Policy
Adopted May 8, 2019

This policy shall apply to all contracts entered into by the Local Agency Formation Commission for the County of Los Angeles (LAFCO), as authorized by Government Code §§ 56375 (j), 56375(k), and 56380 which authorize the Commission to appoint and assign staff personnel, to employ or contract for professional or consulting services, and to incur usual and necessary expenses to carry out and effect the functions of the Commission and to make its own provision for necessary quarters, equipment and supplies.

This policy is intended to ensure that LAFCO practices ethical, responsible, and reasonable procedures relative to purchasing, financial commitments, contracts, and the hiring of consultants. This policy identifies the procedures which LAFCO will adhere to in the performance of its designated responsibilities, and it is intended to provide for a cost-effective use of public resources, including funds and staff time. This policy applies to LAFCO's contracting practices prospectively, after adoption of the policy by the Commission.

1. Commission Approval

Execution and award of contracts, agreements, and memoranda of understanding (collectively referred to as contracts) that exceed \$10,000, including but not limited to the those for the following types of services shall require Commission approval:

- Preparation of annual audits (this may be awarded in contracts for multiple years, and in concert with other LAFCOs);
- Municipal Service Reviews (MSRs), special studies, and/or equivalent;
- Lease(s), or lease extensions, for office space;
- Primary legal counsel and as-needed alternate counsel;
- Provider(s) of insurance, including employee medical/dental, property/liability, and workers compensation insurance coverage; and
- Provider(s) of employee pension coverage.

Contracts that require Commission approval shall utilize a competitive solicitation process in a form determined by the Executive Officer and approved by LAFCO legal counsel. Prior Commission authorization to release the solicitation is not required.

2. Delegated Authority:

The Commission hereby delegates authority to the Executive Officer to solicit, approve and execute contracts for goods, materials and services that do not exceed \$10,000 and are consistent with the authority provided by Government Code §§ 56375 and 56380. It is expected that this will include, but is not limited to, the following: computer equipment, (including desktop and laptop computers, printers, routers, servers, wireless networks, and similar and related products); miscellaneous services/leases (cell phone(s), postage meter, and plant service); and any other service or product not to exceed \$10,000. Notwithstanding the above, the Commission delegates authority to the Executive Officer to purchase and/or contract for legal advertising (public notice), routine information

Delegated Authority (continued):

technology services, and accounting/bookkeeping services, which exceed \$10,000, provided that these costs are documented in the annual budgets adopted by the Commission, identified in the Mid-Year Budget Report, and listed in the “Procurement and Reporting Policy Annual Report” identified in Section 4, below.

The Executive Officer is authorized to designate the Deputy Executive Officer (“DEO”) as his or her designee for all delegated authority herein. In the absence or unavailability of the Executive Officer, the Commission hereby delegates the foregoing authority to the DEO.

Delegated authority for contracts that are estimated to exceed \$5,000 shall utilize a competitive solicitation process in a form determined by the Executive Officer and approved by LAFCO legal counsel.

3. Emergency Authority

In the event of an emergency issue, as determined by the Executive Officer in consultation with the Commission Chair (or, if unavailable, with the Commission First Vice-Chair or Commission Second Vice Chair); when equipment, materials or services are required to protect the health, welfare and safety of the Commission or staff, and the cost exceeds the delegated authority of the Executive Officer; the Executive Officer shall receive approval of the Commission Chair (or, if unavailable, with the Commission First Vice-Chair or Commission Second Vice Chair); to award a contract and waive the requirements to conduct a competitive solicitation process. The Executive Officer shall notify the Commission either in writing or in a report at the next available Commission Meeting.

4. Reporting Requirements:

Staff shall prepare a written “Procurement and Reporting Policy Annual Report” (“Report”) and agendaize the same at a Commission meeting in the first quarter of each calendar year. The Report shall list all outside service providers, and shall include, but not be limited to, the name of the provider; the service/product provided; and the status/term of any contracts, leases, or equivalent.

The Report shall be prepared annually and posted to the LAFCO website. The most recent five (5) years of Reports shall be maintained in the “Transparency” section of the LAFCO website.

5. Conflict(s) of Interest:

LAFCO shall avoid real or potential conflicts of interest in its contracting practices. Contracts shall not be entered into with members of the Commission, LAFCO employees, and vendors in which Commissioners or LAFCO employees have a financial or ownership interest. This provision extends to those who within the immediately preceding 12 months were Commission members or employees of LAFCO who participated in the area of service performed or developing the contract or its service specifications.