

UTAH TRANSIT AUTHORITY POLICY

No. UTA.02.01

SPENDING AUTHORITY

1) Purpose.

This Policy is intended to ensure the fiscally sound management of UTA monies by identifying employees who may expend and authorize the expenditure of UTA funds and the levels up to which employees may expend such funds.

2) Definitions.

“Chair of the Board” means the Chairperson of the UTA Board of Trustees who is also the senior executive over the Board of Trustees department.

“Chief” means the senior executive classified as a Chief by administrative compensation structure maintained by UTA’s Human Resources Department.

“Director” means any employee classified as a Director, Associate CFO, Senior Manager, Regional General Manager, Service General Manager, or Comptroller by job code classifications maintained by UTA’s Human Resources Department.

“Executive Director” means the senior-most executive over the agency reporting directly to the UTA Board of Trustees, who is also executive over the Executive Director department.

“Inventory” means items that are Requisitioned, purchased, received, stored, tracked, counted, and otherwise maintained in the JD Edwards Inventory system.

“JD Edwards or JDE” means the enterprise resource planning software system which integrates processes and records for finance and accounting, supply chain management, and inventory management.

“Manager” means any employee classified as a Manager, Project Manager, Assistant Treasurer, Deputy Comptroller, or Senior Program Manager by administrative compensation structure maintained by UTA’s Human Resources Department.

“Micro Purchase” means a purchase of Goods or Services that do not cost more, in the aggregate, than \$49,999.

“Other Disbursement” means any request for payment not previously defined under the Petty Cash, P-card, or Requisitions section of this policy.

“Petty Cash” means small amounts of cash to be disbursed for expenditures where it is not sensible to make disbursement by any other means.

“P-Card Purchase” means a purchase of goods or services involving the use of a UTA-issued credit card.

“*Requisition*” means an authorization to procure goods or services with UTA funds in a form approved generated in JDE by the UTA Supply Chain Department.

“*Table A*” means the Table A attached below setting forth the approval requirements of UTA.

“*Utility Manager*” means the employee classified as a Utility Manager by job code classification maintained by UTA’s Human Resource Department.

3) Policy

All expenditures at UTA should meet three criteria:

- Proper documentation retained
- Proper processes are followed
- Proper authority to authorize the expenditure

A. Purchasing documentation and processes

1. Purchases up to \$5,000 – Where Vendors will accept credit cards as payment, and do not charge additional fees for credit card payments.

Using a UTA issued Purchasing Card (P-Card), department staff will make company purchases under \$5,000 (per occurrence) from a vendor they have determined can perform the work or provide the item(s). UTA has provided the P-Card program as an efficient and effective method for payment for these types of transactions. For vendors that accept credit cards, this should be the first payment choice for departments.

- a. Refer to UTA’s Purchasing Card SOP for processes, guidelines, and restrictions of use.

2. Purchases up to \$5,000 – Where Vendors will not accept credit cards as payment or charge additional fees for credit card payments.

For vendors that do not accept P-Cards or charge additional fees for credit card payments, you may have the vendor bill UTA for the goods/services purchased or submit a Requisition in JD Edwards for procurement to execute the purchase.

Invoices under \$5,000 should be sent as soon as possible to AP@rideuta.com so payment can be made within 30 days of approved receipt of goods or services. If there is a bill of lading (BOL) or shipping receipt for the purchase, this must be included in the submitting department’s documentation. Accounts Payable personnel will obtain invoice payment approval through an electronic process designated by the Comptroller.

3. Purchases \$5,000 - \$49,999.

A Requisition must be submitted, and approval must be obtained through UTA’s Requisition process in the JD Edwards system. Purchases under \$50,000 are considered a “Micro Purchase” and do not require multiple bids from various suppliers. However, the price must be determined to be fair and reasonable. The method to determine fair and reasonableness may include:

- recent purchase prices
- current price lists
- catalogs
- advertisements
- similar items in a related industry

- the purchasers' knowledge of the item being procured

4. Purchases \$50,000 and over.

A Requisition must be submitted, and approval must be obtained through UTA's Requisition process in the JD Edwards system. Competitive procurements or Sole Source justifications are required, and departments are required to work through the Procurement department to complete the bid process or Sole Source request. Once the Requisition is approved, Supply Chain personnel will solicit bids. The selected vendor will be provided a Purchase Order authorizing the vendor to move forward. Vendors are then to email invoices to ap@rideuta.com.

5. Exceptions to Purchases of \$50,000 and over.

Supply Chain and Accounting have designated the following exceptions to the \$50,000 threshold as follows:

- a. Payment to another government agency (not-for-profits are not considered governments)
- b. Payments to utility companies (water, sewer, gas, electric, natural gas, solid waste services, internet services)
- c. Dues or memberships to UTA approved associations and groups
- d. Bond cost on previously authorized bond issues
- e. Payments for land or real estate including relocation expenses, as approved by the Board of Trustees
- f. Payments from liability accounts
- g. Tuition Reimbursements
- h. Refunds
- i. Other unique payments as authorized by the Comptroller or an employee designated by the Comptroller.

Payments for these designated exceptions can be obtained by submitting a vendor invoice or check request to ap@rideuta.com or the Accounts Payable section of Accounting.

B. Authority Levels.

1. No employee will request or permit a Disbursement, Requisition, or P-Card Purchase, or otherwise expend or attempt to expend UTA funds, unless all persons required by Table A have approved the proposed expenditure. This Policy sets maximum allowable spending limits. However, nothing in this Policy prevents management from setting lower spending limits within their service unit or other area of authority.
2. An employee may not artificially divide a Petty Cash Disbursement, P-Card Purchase, Purchase Order, or Requisition to circumvent a dollar limitation identified in Table A.
 - a. Employees who divide a purchase in order to circumvent a P-Card limit or limitation identified in Table A may be subject to loss of purchasing authority, depending on the circumstance and number of occurrences.
3. Managers may create standard operating procedures for their department or service unit that set disbursement guidelines and internal accounting controls for the issuance of funds, or for P-Card Purchases, consistent with generally accepted accounting

principles and practices, and this Policy. It is the responsibility of the department Manager to ensure their procedures are adhered to.

4. Notwithstanding any other provision of this Policy, the Director of Supply Chain is authorized to purchase new, or replacement Inventory without obtaining the authorizations otherwise required under the Requisitions section of Table A of this Policy.
5. This Policy does not apply to, nor relieve employees from complying with:
 - a. the signature requirements related to establishing accounts with financial institutions or investing or reinvesting funds as contemplated by:
 - i. Corporate Policy 3.1.8. Treasury Management and UTA Standard Operating Procedure 3.1.8-1; or
 - ii. Authorization to handle funds and the investment and disbursement of monies established by Board Resolution
 - b. the authorizations required to settle litigated and non-litigated claims as contemplated by the Authority to Settle Claims Policy, or
 - c. the Contracting Authority Policy.
 - d. Board Policy 2.2 Contract Authority and Procurement

4) Cross-References.

- 2 CFR 200.320
- FTA Circular 4220.1G
- Utah Code 63G-6a
- Board of Trustees 2.1 Financial Management
- Board of Trustees 2.2 Contract Authority and Procurement
- UTA Corporate Policy 2.2.1 Real Property
- UTA.02.02 Contracting Authority Policy

This UTA Policy was reviewed by UTA's Chief Officers on, approved by the Board of Trustees on _____ and approved by the Executive Director on _____. This policy takes effect on the latter date.

Viola Miller, Chief Financial Officer
Accountable Executive

Jay Fox
Executive Director

Approved as to form and content:

Counsel for the Authority

History

Date	Action	Owner
1/9/2007	Adopted UTA Corporate Policy 3.1.1	Chief Financial Officer

2/17/2009	Revised and Superseded	Chief Financial Officer
2/16/2010	Revised and Superseded	Chief Financial Officer
7/13/2010	Revised - to address organizational changes	Chief Financial Officer
4/26/2011	Revised - to accommodate organizational changes	Chief Financial Officer
5/8/2012	Revised – to address DAP	Chief Financial Officer
5/5/2015	Revised - to address routing of contracts, contract numbering, and authority levels	Chief Financial Officer
3/22/2016	Revised – to separate Spending and contracting authority policy separated into two policies	Chief Financial Officer
2/24/2017	Revised – to reflect reorganization	Chief Financial Officer
6/13/2017	Revised - to reflect internal audit	Chief Financial Officer
02/23/2022	Rescinded – UTA Corporate Policy 3.1.1 Spending Authority	Chief Financial Officer
02/23/2022	Adopted – UTA.02.01 Spending Authority	Chief Financial Officer
04/12/2023	Board Approved – UTA.02.01 Spending Authority Policy	Chief Financial Officer
04/13/2023	Adopted – UTA.02.01 Spending Authority Policy	Chief Financial Officer

TABLE A

Employees will follow procedures developed by the Comptroller on the disbursement guidelines and internal accounting controls for issuance of funds for all of the following spending requests.

APPROVAL REQUIREMENTS		1st	2nd	3rd	4th	5th
A.	Petty Cash and Employee Reimbursements					
Petty cash disbursement or employee reimbursement by a Non-Manager	Manager	Employee designated by the Comptroller				
Petty cash disbursement or employee reimbursement by a Manager	Director, or Chief (if no Director position exists)	Employee designated by the Comptroller				
Petty cash disbursement or employee reimbursement by a Non-Manager by a Director	Chief	Employee designated by the Comptroller				
Petty cash disbursement or employee reimbursement by a Non-Manager by a Chief, or Board of Trustee	Chief Finance Officer	Employee designated by the Comptroller				
B.	Requisitions					
For purchase up to \$49,999	Manager					
For purchases of \$50,000, - \$124,999	Manager	Director, (or Chief if no Director position exists)				
For purchases of \$125,000 or more	Manager	Director, (or Chief if no Director position exists)	Chief or Executive Director, or Chair of the Board.			
For Capital Development, Capital Construction, or Capital Asset. Depts. 3700, 6800, or 6820	Project Manager	Director (or Chief if no Director position exists)				
C.	P-Card Purchases and Monthly Statement Approval P-Card holders are subject to the requirements and limitations of the UTA Agency SOP 1.2.3 for P-cards. This table sets the authority levels for approving monthly P-Card statements.					
Monthly statements of P-Card purchases by a Non-Manager, up to \$49,999	Manager					
Monthly statements of P-Card purchases by a Manager, or non-Manager, of \$50,000 up to \$124,999.	Manager	Director, (or Chief if no Director position exists)				
Monthly statements of P-Card purchases by a Director, of \$125,000 up to \$249,999	Chief					

APPROVAL REQUIREMENTS		1 st	2 nd	3 rd	4 th	5 th
Monthly statements of P-Card purchases by a Chief, or Board of Trustee up to \$249,999		Chief Finance Officer				
D.	Utility Disbursements					
For any payment to a Utility company		Utility Manager				
E.	Other Disbursements					
Payments Not on a Purchase Orders made through typically Check Request.						
For purchase up to \$49,999		Manager				
For purchases of \$50,000, up to \$124,999		Manager	Director, or Chief (if no Director position exists)			
For purchases of \$125,000, up to \$249,999		Manager	Director, or Chief (if no Director position exists)	Chief or Executive Director, or Chair of the Board.		
For purchases of \$250,000 or over		Manager	Director, or Chief (if no Director position exists)	Chief or Executive Director, or Chair of the Board.	Executive Director	Board of Trustees
F.	Related UTA Disbursements					
Payments by Joint Insurance Trust/Committee.						
For purchases or payments from JIC		Total Rewards	Union Representative			
Payments from Pension Trust/Committee.						
For purchases or payments from Pension		Pension Committee Member	Pension Committee Chair			
G.	Receipt of Goods/Services by UTA					
Verification of receipt of goods or services for and in behalf of UTA.						
For purchases on Inventory Purchase Order		Any staff member of Supply Chain - warehousing				
For purchases on capital project related Purchase Order		Any Project Manager or assigned employee				
For retention payouts on capital project related Purchase Order		Any Project Manager or assigned employee				
For purchases on non-Inventory and non-capital project Purchase Order		Any staff member of UTA				
For purchases not on Purchase Order		Comptroller designated responsible department staff				