

PURCHASING and PROCUREMENT POLICIES and PROCEDURES

Edition I

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Revised:

Prepared by:

Tina Malone, CPPO CPPB, Procurement Officer

INTRODUCTION

Purchasing provides assistance to all departments in the County by securing the best material or service, of the highest quality, at the best possible price. This objective can be accomplished only if all of the departments are familiar with proper purchasing policies and procedures as required by law and local guidelines.

Responsibilities of the Purchasing Office shall include the purchase of supplies, materials, property, equipment and inventory pursuant to policies and procedures established by the Board of Commissioners and in accordance with this policy and the laws of the State. The policy of the Purchasing Office in the discharge of these duties will include, with the assistance of other departments and agencies, the establishment of reliable and reputable sources of supply, the fostering of competition and good procurement practices consistent with timely accomplishment of its goals.

Developing formal procedures and analyzing costs are primary roles of purchasing. Purchasing will sometimes act on behalf of all departments for similar items and will bid out those items to establish a contract that all departments can purchase from. This takes advantage of volume discounts. Standardization in other areas can prove advantageous. We can participate in State contracts for many items.

It is important to understand that a centralized purchasing function does not relieve the need for departmental requisitions, competitive quotes, bids, etc. These procedures will continue to be necessary and only you understand your specific needs. Our office will make recommendations and assist you as best we can. The purchasing office will of course insist on careful procedures to control costs, ensure legal compliance, adhere to accounting audit requirements and maintain the integrity of Rockdale County.

This policy will provide reference for questions that may arise in regard to purchasing procedures and requirements. Compliance with the provisions of this policy is mandatory. No provision is intended to conflict with state or local statutes, in which case, the provisions of the State or local statutes shall apply.

Any employee not complying with the rules and regulations of this policy shall be subject to disciplinary action in accordance with applicable rules and regulations or established policies or procedures.

PURCHASING OBJECTIVES

Procurement of materials, supplies and services is an important function of the County organization. Ultimately, the services which the County provides to its citizens are dependent upon these materials and supplies.

In order to obtain the greatest value for every dollar spent, it is necessary to follow a set of procedures when purchases are made.

Purchasing procedures are designed to meet the following objectives:

- (1) To encourage the reduction and eventual elimination of small orders and emergency purchases.
- (2) To encourage advanced planning.
- (3) To reduce paperwork through combined purchases.
- (4) To encourage competitive purchasing.
- (5) To encourage cooperative intergovernmental purchasing by departments.
- (6) To conduct County business in such an open manner that potential vendors may be impressed by the fairness of the system and thus be encouraged to furnish competition which will ensure that the County will secure the lowest price at all times.
- (7) To provide inspection of purchases to determine that goods delivered meet the specifications established.
- (8) To provide budget control and to ensure the financial stability of the County.
- (9) To ensure that the greatest value is received for the tax dollar expended.

PURCHASING ETHICS

Public confidence in the integrity of purchasing practices is very important. Rockdale County is represented by membership in the National Institute of Governmental Purchasing. Therefore, our purchasing policy includes the adoption of the NIGP Code of Ethics.

The following ethical practices shall govern the conduct of every person involved in public purchasing employed by Rockdale County:

- 1) People involved in public purchasing are in full accord with the professional principles of public purchasing and are confident that they are qualified to serve under these principles to the advantage of the public jurisdiction which employs them.
- 2) They believe in the dignity and worth of the service rendered by government and of their own social responsibility as trusted public servants.
- 3) They are governed by the highest ideals of honor and integrity in all public and personal relationships in order that they may merit the respect and inspire the confidence of the agency and of the public which they serve.
- 4) They believe that members of the County and its staff should at no time, or under any circumstances, accept, directly or indirectly, gifts or other things of value from vendors.
- 5) They believe that personal aggrandizement or personal profit obtained through misuse of public or personal relationships is dishonest.
- 6) They keep the public jurisdiction which employs them informed, through appropriate channels, on problems and progress of the agency which they serve, but keep themselves in the background by emphasizing the importance of the facts.
- 7) They resist encroachment on their control of personnel in order to preserve their integrity as professional administrators. They handle all personnel matters on a merit basis. Political, religious and racial considerations carry no weight in personnel administration in the agency which they direct or serve.
- 8) They do not seek nor dispense personal favors. They handle each administrative problem objectively, without discrimination, on the basis of principle and justice.
- 9) They subscribe to and support the professional objectives of the NIGP.

PURCHASING ETHICS

PAGE TWO

10) They recognize that their purchasing activities are of public interest and a matter of public record, and so conduct their operations so that all actions can be fully substantiated and legally defended in accordance with the awarding authority of the agency which they serve. To this end they maintain adequate records on all purchases as to class of purchase, prices paid, source of supply, and justification of award. However, they shall not disclose any information which might be detrimental to the public interest.

11) They constantly endeavor to keep themselves and members of their staff free from involvement which would place either in a position of possible "conflict of interest".

12) In so far as is practical, they employ the practice of open competitive bidding based upon adequate and open specifications.

PURCHASING POLICIES & PROCEDURES SUMMARY

The Rockdale County Board of Commissioners has directed that all Departments must comply with the County's purchasing policy. Any agency doing business through the County will at all times follow these purchasing policies and procedures. A review and general explanation of our purchasing procedures is outlined as follows:

Before a formal purchase order can be approved, a signed Requisition must be submitted to the Purchasing Office. The firm names and their respective prices should be listed on the requisition form. If you are unable to obtain additional quotes for purchases, an explanation should be given why this is not possible. Example: Sole Source Vendor.

Always indicate why items are needed on the requisition and a reason as to why the order is to be placed with the successful vendor. Examples of reasons might be: Brand name, Sole Vendor, Quality of Product, Exact Replacement parts required or set up cost previously incurred with selected vendor.

Since it normally requires about seven (7) days to process a requisition and obtain delivery, it is important that the department plan ahead in order that this will not create any unnecessary inconveniences or delays. Delays are expensive. In some cases, delivery time will be longer particularly if an item is not in stock locally. These cases can and should be anticipated.

All outside repairs and service calls should be requisitioned and processed in the same manner as purchases. When cost is not yet determined, put rate per hour, and/or a minimum service charge. A "not to exceed" figure is requested if at all possible.

For emergency needs please see the Emergency Procedure Section.

It is inappropriate for a purchase order to be issued after the fact. The Purchase Order also represents a contract that someone will provide items and/or labor for an agreed upon price. If the vendor does not receive their copy of the purchase order which includes the terms and conditions, the County is placed at a disadvantage in a dispute with the vendor.

Please be certain that those persons authorized to secure prices follow these guidelines. This will insure more competitive purchasing practices and will enable everyone to do a more efficient job.

DOLLAR LIMITATIONS FOR QUOTES AND BIDS

The following are the dollar limits for quotes and bids. These amounts will govern the proper procedure for the purchase of goods and services:

1. **\$0 to 2,499.99 - Only one (1) quote is required. (Departments are required to rotate sources of supply whenever possible.)**
2. **\$2,500.00 to \$14,999.99 – Three (3) written quotes are required and should be attached to the requisition for purchase.**
3. **\$15,000.00 and over - *Formal Bid/RFP Procedure* is required. Purchases of \$15,000.00 and over is required to be formally bid out by requesting sealed bids or proposals. The Purchasing Office will handle all formal Bids/RFPs and all legal advertisements for those Bids/RFP's. The Purchasing Office will make the final determination of whether a good or service for \$15,000.00 or over should be exempted from the Formal Bid/RFP procedure. Any purchase which individually or in aggregate is in excess of \$15,000.00, shall have the approval of the majority of the Board prior to purchase.**

THE PRACTICE OF DIVIDING THE PURCHASE OF SUBSTANTIALLY SIMILAR GOODS OR SERVICES INTO TWO OR MORE PURCHASE ORDERS OR CONTRACTS IN ORDER TO EVADE THE ABOVE LISTED REQUIREMENTS IS PROHIBITED.

Note: All outside repairs and service calls must be requisitioned and processed in the same manner as purchases. When cost is not yet determined, put rate per hour, and/or a minimum service charge. A "not to exceed" figure is requested if at all possible.

Exceptions to the purchasing limitations:

Recurring bills- Payment of monthly bills such as light bills and phone bills.

Sole Source Vendors- Occasionally there are items purchased by the County that are only available from one vendor/manufacturer due to special scientific technology, extraordinary specifications, compatibility with existing equipment, or lack of competition. This should be noted on the requisition and a written justification for the sole source purchase is to be attached to the requisition. A sole vendor purchase will still require proper prior approval of the purchase.

State Wide Contract or Federal GSA Purchases- Whenever any item or service which meets all county requirements is available through a contract with the State of Georgia or the Federal Government and is offered to local governments, the item or service may be purchased from the state contract when, in the opinion of the Procurement Officer, it can be demonstrated to be lower in price than competitive bidding or advantageous to operational efficiency.

CONTRACTS

Extension of Contracts

The Procurement Officer shall have the authority to extend a contract for up to 90 days not exceeding 10% of the contract amount or \$15,000.00 whichever is less in order to go through the bidding process for a new contract. This is subject to:

- a) There is adequate funding to pay for the increase.
- b) The unit price costs do not change from the original contract price.

Renewal of Contracts

The Procurement Officer shall have the authority to renew contracts that have renewal options within the original contract at the same terms and conditions of the original contract. Written agreement of the renewal from the user department shall be obtained before the renewal letter is sent to the contractor.

A renewal of a contract that has a change in the terms and conditions of the original contract must be approved by the Board of Commissioners.

Legal Approval

Local Legislation states:

Sec. 2-62 County Attorney (a) The county attorney, or a designee thereof, shall be the legal advisor and representative of the county and in such capacity shall: (5) Prepare, or review as to form, all contracts and instruments to which the county is a party and approve, as to form, all bonds required to be submitted to the county;

Contract Authorization

Local Legislation states:

Sec. 2-62. (c) The following powers are hereby vested in the Board of Commissioners and reserved to its exclusive jurisdiction: (6) To authorize all contracts or binding agreements, except purchases and employment otherwise provided for in this act.

DISQUALIFIED CONTRACTORS

1. Any Contractor currently in material default or in liquidated damages on another County contract.
2. Any Contractor (including any owner, officer, director or key employee) who has been charged or convicted in the last 5 years of any crime involving bid rigging, kick backs or similar conduct, or any crimes of "moral turpitude".
3. Any Contractor that is currently in litigation or has threatened litigation with the County regarding a County contract.

EMERGENCY PURCHASES

Definition: Emergency Purchases means those purchases made necessary by situations which could not be anticipated by the department or elected official, usually involving life-threatening circumstances or risks of injury, or resulting in work stoppages, undue delay or occurring during non-business hours when the ordinary purchase procedures cannot be followed.

Negligence on the part of the department head or elected official to plan properly is an inappropriate justification for an emergency purchase.

Emergency Purchases during working hours

If an emergency requiring a purchase occurs during business hours, the department head or elected official shall contact the purchasing office and obtain an emergency purchase order number. The item sought may then be acquired using that number. The emergency purchase order number will be stated to the vendor as evidence that the purchase has been approved, and that number shall be noted on any vendor invoice for the item receiving emergency approval.

Emergency Purchases after working hours

If an emergency occurs during non-business hours, the department head or elected official shall make the purchase and, immediately upon the resolution of the emergency, a requisition shall be prepared stating the nature of the emergency. The requisition shall be forwarded to the purchasing office on the next business day. The requisition shall be accompanied by the purchase receipt and a memorandum from the department head or elected official setting forth the details of the emergency.

PROCUREMENT OF PROFESSIONAL SERVICES

See Procurement of Professional Service Policy.

PROCUREMENT OF ENERGY EFFICIENT AND RECYCLED PRODUCTS

See Energy Efficient, Recycling, and Waste Reduction Purchasing Policy #R-2015-08

DISPOSAL OF PROPERTY

Rockdale County will dispose of County Property by the following methods:

Methods of Disposal:

- 1) Sealed Bids
- 2) Public Auction
- 3) Trade In
- 4) Cannibalization (Example: Reusing Vehicle Parts)
- 5) Scrap Metal
- 6) On-Line Auction; ie: Gov Deals
- 7) Rummage Sales for small items
- 8) Recycling

Disposal of County Property is the responsibility of the Purchasing Office.

Any property of the County being disposed of and/or sold must first be declared surplus by the Board of Commissioners.

When a department has equipment that needs to be transferred or declared surplus, a Notice of Equipment Transfer/Surplus form is to be completed and sent to the Purchasing Office.

Sale of Real Estate: The sale of Real Property is to be handled by the County Attorney's Office with the approval of the Board of Commissioners.

VENDOR APPEALS

Any bidder or offerer who desires to protest the award of a bid or contract shall submit such protest in writing to the Finance Director or his/her designee no later than ten (10) calendar days after the award. No protest shall lie for a claim that the selected bidder or offerer is not a responsible bidder or offerer. The written protest shall include the basis for the protest and the relief sought.

The Finance Director or his/her designee shall issue a decision in writing within thirty (30) calendar days after receipt of the protest stating the decision, reasons therefore, and the action, if any, that will be taken. This decision shall be final and no further appeal may be taken.

When a protest has been timely filed after an award has been made, the Finance Director or his/her designee may delay or suspend performance under the protested purchase order or contract until a decision regarding the pending protest has been issued. If the Finance Director or his/her designee finds legitimate grounds for the protest, the Finance Director or his/her designee may rescind or terminate the purchase order or contract upon a further finding that this action is in the best interest of the county. Except as otherwise provided herein, where a purchase order or contract is rescinded or terminated, the vendor or contractor shall be compensated for the cost of performance up to the time the vendor or contractor receives written notice (i) directing the vendor or contractor not to proceed with or to suspend performance under the purchase order or contract, or (ii) informing the vendor or contractor of the rescission or termination of the purchase order or contract, whichever time is earlier. The vendor or contractor shall be entitled to no compensation or damages for work not performed at the time such written notice is received, and in no event shall the vendor or contractor be entitled to lost profits or other consequential damages or bid preparation costs as a result of such rescission or termination.

If the Finance Director determines that there is probable cause to believe that a decision to award was based on fraud, corruption or conflict of interest, the vendor or contractor shall not be entitled to any compensation or damages on account of the rescinded or terminated purchase order or contract, regardless of any work performed pursuant thereto.

In the event a purchase order or contract is rescinded or terminated pursuant to this section, the Finance Director may authorize or recommend either a re-bid or acceptance of the next lowest bidder.

Except as otherwise provided herein, a contract or bid awarded and accepted in good faith shall not be affected by a pending protest.

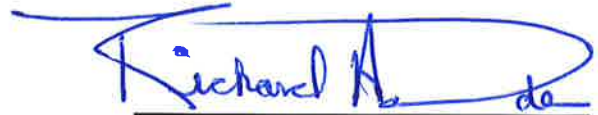
MISCELLANEOUS RULES

Correspondence with vendors: A copy of departmental correspondence with vendors will be furnished to the Procurement Officer.

Accepting equipment on Trial: No equipment or accessory will be used by a department to test its suitability without the prior approval of the Department of Finance.

ROCKDALE COUNTY BOARD OF COMMISSIONERS

Approved:



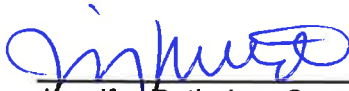
Richard A. Oden, Chairman & CEO



Commissioner Oz Nesbit



Commissioner Doreen Williams



Jennifer Rutledge, County Clerk

9/22/2015

Date