

WHITFIELD COUNTY, GEORGIA
PURCHASING POLICY AND MANUAL
December 14, 2009

PURCHASING POLICY

The County Administrator of Whitfield County shall have full authority to review requisitions and invitations to bid issued on behalf of the County and to question the quality, quantity, and type of commodity or service requested. The goal of this policy is to assure that, in filling the needs of the County for goods and/or services necessary for governmental functions, the financial interests of the County are protected. The County Administrator shall maintain a County Finance Department, which shall be headed by the County Finance Director, which Department shall be responsible for the review of requisitions presented by each County Department for the purpose of assuring that the highest quality products and services are provided to the County at the lowest reasonable cost.

For purposes of this policy and manual, "County Department" shall mean any County government department funded in whole or in part by the Whitfield County Board of Commissioners.

A. POLICY SPECIFICS:

1. This Purchasing Policy shall apply to all County Departments. The County Finance Department shall not alter or in any way change the technical requirements or modify any provision of a Department requisition without notification to the requisitioning Department.
2. The County Finance Department shall have the authority to require of a third-party provider a performance bond before entering into a contract, in such amount, as it shall find reasonably necessary to protect the best interests of the County.
3. Neither the County Finance Department nor any other Department of the County shall receive any benefit or profit from any contract or purchase made by the County.
4. Other than advertising novelties, acceptance of gifts at any time shall be prohibited. No County employee shall become obligated to any vendor and shall not conclude any County transaction from which they may personally benefit directly or indirectly.
5. The County Finance Department shall strive to maintain strong professional and cooperative relationships with vendors and also with those who have a desire to meet the quality, service, and price needs of the County.

6. All qualified third-party bidders for goods or services required for the County shall be given equal opportunities and identical terms for purposes of determining and submitting a quote to the County upon any specified item.
7. The County Finance Department shall not knowingly issue a purchase order when there is a conflict of interest. All known or suspected conflicts of interest shall be referred to the County Attorney, whose opinion shall be final in the absence of any specific instructions from the County Administrator or County Commissioners. The County Finance Department and the requisitioning Department shall document such instructions.
8. The County Finance Department shall have the authority to prohibit third-party vendors from offering goods and/or services for a period not less than two (2) years if said vendor is determined, in the sole discretion of the County Finance Department, to have acted in bad faith in soliciting the business of the County or who breaches any agreement for contract with the County, or which shall establish a pattern of unethical business practices with the County.

B. RESPONSIBILITIES: Every employee, agent or representative of the County is responsible for the control of supplies, materials and equipment placed in the control or authority of such persons. Department Heads are responsible for the overall control of material usage, allocation of supply quantities, physical security for materials and proper disposition of surplus items.

1. **Department Heads will have the following responsibilities:**
 - a. Initiating requisitions for items based upon need, with sufficient lead-time, within the approved budgetary amount. In case a bid exceeds the budgeted amount for an item, the Department Head shall request, through the County Finance Department, approval from the Board of Commissioners for the increase in price or shall reject all bids received. If an item was not approved in the budget, the Department Head shall obtain approval from the County Administrator before asking permission from the Board of Commissioners to solicit bids and/or funds.
 - b. Authority to approve requisitions aggregating no more than \$1,000.00, following the process for obtaining a purchase order described in D. 2.

- c. Submitting in writing to the County Finance Department any substitutions required because of unexpected circumstances not involving life or safety. Authority to approve requisitions aggregating no more than \$7,500.00 following the process for obtaining a purchase order described in D.3. For requisitions \$7,500.00 or greater use D.4.; however, approval by the Whitfield County Board of Commissioners shall be required prior to obtaining the purchase order.
- d. Receiving materials and submitting documents to substantiate invoice payment.
- e. Reporting to the County Finance Department any undelivered items, damaged items, or other discrepancies.

2. The County Finance Department will have the following responsibilities:

- a. Review requisitions for completeness and correctness.
- b. Obtain, whenever possible, at least three competitive quotations for each requested item.
- c. Purchase items for price, quality and performance using standard purchasing techniques.
- d. Investigate discrepancies and reconcile problems relating to vendors and sales representatives.
- e. Coordinate with Department Heads on the specifications of bids and the processing the same.
- f. Inform Department Heads of market changes, new products, and other information pertinent to achieving the goals of this Policy.
- g. Maintain good vendor relations.
- h. Dispose of obsolete, excess, and/or junk materials.
- i. Verify Department Heads comply with the change order procedure as specified in paragraph E. 1. or E. 2.
- j. Notify the Department Head of any discrepancies between the invoice and the purchase order.

3. Accounts Payable will have the following responsibilities:

- a. Alert the County Finance Department of any discrepancies on invoices.
- b. Approve all transactions for fund availability.
- c. Pay vendor invoices in a timely manner as per bid specifications and take discounts when possible.

C. REQUISITIONS:

- 1. All requisitions, including Community Facility Improvements, shall be processed through the County Finance Department.
- 2. The requisitions are to be completed and approved by the Department Head or his or her designee. Correct preparation will include the requisition date, department name, account/project number to charge, quantity, item description, identification if it is a fixed asset as defined by the Capital Improvement Plan Policy, the delivery date desired, and desired vendor.
- 3. The County Finance Department shall review the requisition for completeness, accuracy, and clarify any questions by contacting the requesting Department. All requisitions shall have a general ledger account number or the same shall be returned to the department. Any changes to the requisition will be discussed with the Department Head.
- 4. Whenever possible, requisitions shall be combined into a single purchase order or combined into a single bid if volume buying advantages may be gained.
- 5. Any requisitions that are submitted by the Department Head shall allow the County Finance Department a reasonable time limit to approve and complete a purchase for said item. Planning ahead for any purchase will enable the system to work efficiently.

D. PURCHASE ORDERS:

- 1. Purchase orders are prepared with an original.
 - a. The original will be faxed to the vendor upon request.
 - b. The original will be filed in the County Finance Department

and sent to Accounts Payable upon receipt of invoice.

2. Purchase Orders estimated \$1,000.00 and below:

Each item that is estimated to cost under \$1,000.00 will not require quotes. When quotes are obtained to determine the cost, document the quotes on the appropriate Quote Form and submit to the County Finance Department in conjunction with the computerized requisition. The County Administrator shall have the right to question all purchases, including the selection of vendors. When buying multiple quantities of an item and the total cost will exceed \$1,000.00, combine the purchases on one requisition and follow the appropriate procedure outlined in subparagraph 3, 4 or 5, below as applicable

3. Purchase Orders estimated from \$1,000.00 but under \$7,500.00:

Each item that is estimated to cost from \$1,000.00 but under \$7,500.00 shall require at least three (3) written quotes from vendors. All written quotes must be legible and must be submitted to the County Finance Department using a Written Quote Form in conjunction with the computerized requisition. All requisitions must be submitted to the County Finance Department and may be verified.

4. Purchase Orders estimated \$7,500.00 or greater:

Each item that is estimated to cost \$7,500.00 or greater requires **FORMAL ADVERTISING, SEALED BIDS**, and **SHALL** be awarded by the Board of Commissioners.

5. Fuel Bids:

Fuel Bids are exempt from the requirements of this policy due to the quantity, time factor of demand, and the daily pricing volatility.

E. CHANGE ORDERS/PURCHASE ORDER AMENDMENTS FOR COMMUNITY FACILITIES OR CAPITAL PROJECTS AND NON-COMMUNITY FACILITIES OR PRODUCTS:

1. A Community Facility/Capital project is a building or infrastructure that is owned and operated by a Government Agency that can be used by the public. A Non-Community Facility or product is a building or material owned and operated by a Government Agency that may only be used by the intended end user. The County Administrator can approve change orders for community facility/capital project improvements totaling ten percent (10%) or \$7,500.00 of the original contract, whichever is less. The County Administrator shall notify the Board of Commissioners of the change amount and reasons for the change. Any change order or totals exceeding this limit must be approved directly by the Board

of Commissioners.

2. The Department Head may approve change orders for Non-Community Facility improvements or products totaling under \$1,000.00, the County Administrator under \$7,500.00. The Board of Commissioners must approve any changes exceeding ten percent (10%) of the original bid.

F. SEIZED MONEY: The Whitfield County Purchasing Policy **SHALL NOT APPLY** to Seized Money. Seized money has its own separate rules and regulations as determined by Federal and Georgia law. Seized money shall be designated on the requisition form.

G. BIDS:

1. State Contract, General Services Administration, and U.S. Communities Government Purchasing Alliance: Items available for purchase on either the Georgia Bid list, through the General Services Administration (GSA,) or through the U.S. Communities Government Purchasing Alliance, except rolling stock, shall be exempt from the bidding requirements hereunder. However, depending upon the item, the County Administrator or Finance Department may recommend to the Board of Commissioners that such item(s) should be bid by Whitfield County nonetheless.
NOTE: Rolling stock requisitions require local bidding plus the state bid price.
2. Road Contracts & Public Works Contracts: Public Works Contracts are agreements between a county governing authority and the lowest, responsive, and responsible bidder for the performance of any type of public work that is required to build or repair any public building, bridge, causeway, or other public works in the County. The County shall formally bid all road contracts and public works projects in accordance with Georgia Law, which shall supersede this policy.
3. Sole Source Vendor: The Board of Commissioners shall approve the purchase of any item that is available only from ONE vendor before this item may be submitted to the County Finance Department. If a department intends to purchase from a sole source, it shall submit a list of details to the County Finance Department describing the process by which it was determined that such items were available from only one source.
4. Emergency Purchases: Emergency purchases are those that are made to alleviate a situation in which there is a threat to health,

welfare, or safety that does not allow time for normal, competitive purchasing procedures. Examples of emergencies are flooding, power outages, or other natural disasters. In this event, the Department Head shall notify the County Administrator as soon as possible, indicating the department(s) involved, the vendor (if known at that time), the approximate cost and details of materials needed. If the requisition is justified after the emergency by the County Administrator then a purchase order will be issued. At the conclusion of the emergency or no later than two (2) working days from the date the purchase order was issued, a written copy of the entire emergency situation shall be submitted to the County Finance Department and the County Administrator. Items that a department did not realize it would need to operate throughout the budget year are not defined as an emergency purchase.

5. Purchase Used, Leased, or Rented Equipment:

- a. The Board of Commissioners may, in a public meeting, waive the bidding requirements for the purchase of used equipment or obtaining equipment through a rental or lease agreement that is in the best interest of the County. The waiver can only be accomplished on a per incident basis.
- b. Sealed bid procedures are required for all purchases or leases of used supplies, materials, equipment, or services that will require an estimated expenditure of more than \$7,500.00.

6. Invitation to Bid:

- a. An invitation to bid will be submitted by the Department Head to the County Finance Department with all specifications and special conditions of the requested item or service. The invitation to bid should include the following:
 - (1) Place, time and date when bids will be received, opened and publicly read.
 - (2) Delivery requirements (responsibility for shipping, etc.).
 - (3) Persons to contact for clarification of specifications.
 - (4) Special conditions not included in specifications.
 - (5) Contract conditions and terms.
- b. The County Finance Department, in conjunction with the requesting Department Head, will prepare the bid package (including the Invitation to Bid, specifications, price sheet and any other special bid sheets). The County Finance Department is responsible for obtaining the concurrence of

the Department Head before announcing bid invitations. The bid package will be mailed to vendors on the Bidder's List known for offering the commodity or service being requested. The County Finance Department is also to place an advertisement for any bid that will cost over \$7,500.00 in the local newspaper at least once, seven (7) business days before the bid opening. Public Works projects shall be bid in accordance with Georgia law.

- (1) Handling of Sealed Bids: Sealed bids will be received at any time during regular business hours prior to the specific date and time as advertised. Each bid will be stamped with the date and time when received. The bids will be publicly opened and read as stated in the bid package. All bids will then be available for public inspection.
 - (2) Single Bids: If the single bid complies with all the material specifications, the County may award the single bidder the contract as the lowest responsive and responsible bid. Conversely the County reserves the right to reject all bids for any reason whatsoever except for those bids required to be accepted by law.
7. Local Vendor Privilege: Because bids awarded to “local” vendors contribute to the Whitfield County tax base and promote the local economy, the Whitfield County Board of Commissioners has determined that, under certain circumstances, such “local” vendors shall be provided an additional privilege when bidding against non-local vendors. If a “local” vendor’s bid shall meet all specifications and is not more than four percent (4%) more than the lowest responsive and responsible bidder, the lowest bidding “local” vendor shall be given one (1) business day from the opening of such bids in which to notify the Finance Director that it agrees to match the low bid submitted by any non-local vendor. If such “local” vendor shall not agree to match the low bid, then the next lowest “local” vendor, if any, shall be given one (1) business day therefrom to notify the Finance Director that it agrees to match the low bid submitted by any non-local vendor, and so on until all “local” vendors have had an opportunity to match the low bid.. This preference shall not apply to road construction or public works projects otherwise governed by Georgia Law or to the purchase of any other goods and/or services, for which such preference is prohibited by Georgia Law. A “local” vendor for purposes of this section shall be defined as a vendor maintaining a physical presence within Whitfield County, including, but not limited to the maintenance of one (1) or more offices within Whitfield County and

the continuous employment of not fewer than two (2) persons at such office(s) for more than six (6) months prior to the submission of such bid. The mere maintenance of a post office box within Whitfield County shall not qualify a vendor as “local” for purposes of this policy.

8. Preference for Georgia Products: In accordance with **OCGA §36-84-1**, Whitfield County, when contracting for or purchasing supplies, materials, equipment, or agricultural products, excluding beverages for immediate consumption, shall give preference as far as may be reasonable and practicable to such supplies, materials, equipment, and agricultural products as may be manufactured or produced within the State of Georgia. Such preference shall not sacrifice quality.
9. Addenda Modifying Plans & Specifications: Addenda modifying plans and specifications shall not be issued within a period of three (3) business days of the advertised time for the bid opening. If it becomes necessary to issue an addendum modifying plans or specifications within the three (3) business days immediately preceding the date set for the bid opening, then the bid opening time and date shall be extended a minimum of one (1) week without the requirement for re-advertising. The addendum issued within this time frame shall require that all bidders include a copy or acknowledgement of the addendum with the bid when submitted. Any bid that does not include a copy or an acknowledgement of the addendum will be rejected.
10. Accepted Bids: Bids opened and accepted by the county will be awarded according to the lowest, responsive, and responsible bid. If the amount of the purchase is less than \$7,500.00, the County Finance Department and the County Administrator will determine the successful bidder. If the amount of the purchase totals \$7,500.00 or greater, all information concerning the bid results and recommendation will be forwarded to the County Clerk for that item to be placed on the agenda of the Board of Commissioners’ regular or special called meeting for the final decision.
11. Unopened Bids: Bids may be returned to the vendor unopened if instructions pertinent to the bid have been ignored. If a bid is opened in error and the vendor did not submit the required information on the face of the envelope, the bid will be returned to the bidder as rejected for noncompliance.
12. Rejected Bids:

- a. Bids will be rejected if received after the time and date set for the opening. These bids will be date and time stamped and returned to the vendor unopened in a separate envelope with a letter notifying the vendor of the reasons for rejection.
 - b. Bids that fail to comply with any provision or specification will be rejected.
 - c. Bids that include an escalation clause shall be rejected unless otherwise specified.
 - d. Alternate bids may be rejected unless requested in the specifications.
 - e. If a bidder submits an envelope containing more than one bid that open on different days, all the bids will be rejected.
 - f. When bids or proposals are rejected or solicitation canceled, all bids received shall be returned to the vendor.
 - g. If the solicitation for bids or proposals is canceled prior to the scheduled bid opening, any bids received shall be unopened and returned to the vendor.
13. Tie Bids: If bids are received for the same total amount or unit price, quality and service being equal, the contract shall be awarded to the local bidder (having a place of business in Whitfield County, Georgia). When this situation is not applicable, the Board of Commissioners shall award the contract to one of the tie bidders by drawing lots in public.
14. Low Bid Protests: When the Board of Commissioners does not award to the lowest bidder, the County Finance Department shall document the reasons why the low bid was not awarded. If there is a bid protest by a bidder, a written protest shall be filed within three (3) business days after the bid has been awarded by sending or faxing a signed letter explaining the protest to the County Finance Department. For Public Works projects, protests shall comply with Georgia law.
15. Payment of Bids:
- a. Payment shall comply with the terms of the vendor from which the County purchases the item unless otherwise stated in the specifications.

- b. Partial payments shall be allowed upon purchase orders based upon delivery and acceptance of materials or services. No more than one (1) partial payment per month may be processed.
- c. Partial payments for Community Facility improvements require a retainer amount of ten percent (10%) of the amount authorized be held for the first half of the project. After more than half the project is completed and with approval of the project architect or engineer, the retainer amount is reduced to five percent (5%). The retainer cannot be released until:
 - (1) The Board of Commissioners accepts the project.
 - (2) The contractor provides a Waiver of Liens.
 - (3) The punch list items are resolved.

H. DISCLAIMER OF RESPONSIBILITY FOR IMPROPER PURCHASING: The Board of Commissioners shall not be responsible nor liable for any expenditure or agreement for expenditure arising from a purchase made in its name, or in the name of any governmental body under its authority, incurred by an unauthorized person or by any person otherwise authorized who acts in violation of this Purchasing Policy.

I. MANUAL OF WHITFIELD COUNTY, GEORGIA PURCHASING POLICY: This document shall be viewed as a manual to be referred to and relied upon by Departments of Whitfield County. It is to be referred to by the County Departments in its acquisition or purchase of goods and services. Each County Department shall maintain a copy of this document, including all subsequent modifications thereto provided to such Department, for reference in undertaking such purchases, and acquisitions.

So Adopted, this 14th day of December, 2009.