

WHITFIELD COUNTY, GEORGIA
PURCHASING POLICY AND MANUAL
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PURCHASING POLICY INTRODUCTION

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, who 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, nor any person employed by 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.
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. 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 \$2,499.99, following the process for obtaining a purchase order described in D. 1.
 - 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 \$14,999.99 following the process for obtaining a purchase order described in D.2. Obtain, whenever possible, at least three competitive quotations for each requested item.

- d. For requisitions \$15,000.00 or greater use D.3.; however, approval by the Whitfield County Board of Commissioners shall be required prior to obtaining the purchase order.
- e. Receiving materials and submitting documents to substantiate invoice payment.
- f. 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 accuracy.
- b. Purchase items for price, quality and performance using standard purchasing techniques.
- c. Investigate discrepancies and reconcile problems relating to vendors and sales representatives.
- d. Coordinate with Department Heads on the specifications of bids and Requests for Proposals and the processing of the same.
- e. Inform Department Heads of market changes, new products, and other information pertinent to achieving the goals of this Policy.
- f. Maintain good vendor relations.
- g. Dispose of obsolete, excess, and/or unserviceable materials.
- h. Verify Department Heads comply with the change order procedure as specified in paragraph E. 1. or E. 2.
- i. 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 order for said item. Planning ahead for any purchase will enable the system to work efficiently.

D. PURCHASE ORDERS:

- 1. **Purchase Orders estimated \$2,499.99 and below:**
Any aggregate purchase that is estimated to cost under \$2,499.99 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 \$2,499.99, combine the purchases on one requisition and follow the appropriate procedure outlined in subparagraph 3, 4 or 5, below as applicable. The practice of dividing the purchase of

substantially similar goods or services into two or more purchase orders in order to evade the purchasing policy requirements shall be monitored by the Finance Department and shall be strictly prohibited.

2. Purchase Orders estimated from \$2,500.00, but under \$15,000.00:

Aggregate purchases that are estimated to cost from \$2,500.00 but under \$15,000.00 shall require at least three (3) written quotes from qualified vendors. All written quotes must be legible and must be submitted to the County Finance Department using a Written Quote Summary Form in conjunction with the computerized requisition. Documentation supporting internet or e-mail quotes will be accepted.

3. Purchase Orders estimated \$15,000.00 or greater:

Aggregate purchases that are estimated to cost \$15,000.00 or greater require **FORMAL ADVERTISING, SEALED BIDS**, and **SHALL** be awarded by the Board of Commissioners.

4. 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 NONCOMMUNITY FACILITIES OR PRODUCTS:

1. A Community Facility/Capital project is a building or infrastructure that is owned and operated by a Government Agency for use 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 may approve change orders for community facility/capital project improvements totaling ten percent (10%) or \$15,000.00 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 \$2,500.00, the Finance Director under \$15,000.00. 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 shall be governed by Federal and/or State 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.
2. Road Contracts & Public Works Contracts: Public Works Contracts shall be governed by State law, which shall preempt this policy.
3. Sole Source Vendor: Sole source is defined as those purchases made pursuant to a determination by a governing authority that there is only one source for the required supply, service, or construction item. Before making a determination of sole source, research must be conducted to determine if other products or service providers exist and can satisfy purchasing requirements. A letter from the Sole Source Vendor on the vendor's letterhead stating they are the only vendor that the specific goods or services can be purchased from is required as backup for the sole source purchase. 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. The County Administrator or Finance Director must approve all sole source purchases.
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 including, but not limited to, unusual inclement weather. 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 emergency purchases.

5. Purchase, Lease, or Rental of Used Equipment:

- a. Any used equipment purchase, lease, or rental must be approved by the Board of Commissioners in a public meeting. The bidding or quote requirements for the purchase, lease, or rental of used equipment may be waived by the Board of Commissioners if found to be in the best interest of the County. Purchasing policy requirements for used equipment may be waived only if appropriate documentation supporting that fair market value or less is being paid and competitive pricing is not feasible is provided to the Board of Commissioners at the time of the public meeting.

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 County Finance Department is also to place an advertisement for any bid that will cost over \$14,999.99 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 identified 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 nonlocal 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 et seq.**, 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 may be awarded according to the lowest, responsive, and responsible bid. If the amount of the purchase is less than \$15,000.00, the County Finance Department and the County Administrator may determine the successful bidder or may reject all bids. If the amount of the purchase totals \$15,000.00 or greater, all information concerning the bid results and recommendation shall 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 as to whether to accept any bid.
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, County Manager, or designated Project Manager accepts the project.
- (2) The contractor provides a Waiver of Liens.
- (3) The punch list items are resolved.

H. REQUESTS FOR PROPOSALS (RFP): Formal sealed proposals will be handled and processed in the same manner as formal sealed bids. This process may be used when clear specifications are not available or when a service is required. In this procurement method, qualifications will be primary and price may or may not be used in the evaluation of the proposals. The basis of the award is the criteria outlined in the proposal. At the public opening, only the names of the companies offering the proposals will be read. Because negotiations are still possible, the contents of the proposal will not be released until the item or service has been evaluated and awarded. It is the Finance Department's responsibility to determine the method of purchase and to select the bid or the proposal method that is in the best interest of the County.

I. PROFESSIONAL SERVICES: Although professional services are not required to be competitively procured, when determined to be in the best interest of Whitfield County, requests for proposals may be issued for professional services. Negotiated contracts for professional services can be used when a formal Bid or RFP was not completed and this exception is typically utilized when additional services are needed on an existing contract or when recurring services are needed and a relationship has been established with an existing vendor and cost associated with changing vendors may be more than savings achieved through the purchasing process. A professional service is defined as any service performed by a person or firm that is registered with the Georgia Secretary of State and required to maintain a valid State of Georgia license to provide their respective service, including, but not limited to, the following:

1. Engineering
2. Architectural
3. Surveying
4. Testing and Special Studies
5. Audit and Accounting
6. Insurance
7. Financial Management/Banking Services
8. Fiscal Advisor
9. Court Reporting
10. Legal

- I. COMPUTER HARDWARE AND SOFTWARE PURCHASES:** Proposed purchases of computer hardware and software must be reviewed by the Department Head of the IT Department to ensure compatibility with the County's equipment and network system, as failure to follow this policy could result in unsupported hardware and software. Requests to purchase computer hardware or software must follow appropriate purchasing procedures. If the software or hardware purchase falls under the definition of a sole source purchase then policy section G-3 should be followed.
- J. COUNTY CREDIT CARD PURCHASES:** Purchases made and charged to the County's credit card should be infrequent and used primarily for travel related expenses and certain internet purchases. Normal purchasing procedures should apply when using the County's credit card. The credit card is simply a payment method. Under no circumstances shall the County's credit card be used for personal purchases, even to be reimbursed later by the employee.
- K. 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.
- L. 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 January, 2014.