

**EFFINGHAM COUNTY
POLICY NO. 10**

PURCHASING POLICY

A. Intent

The purpose of this policy is to provide guidance for the procurement of supplies, equipment, and services in compliance with procurement provisions of Effingham County and the State of Georgia.

B. Definitions

Capital goods shall mean expenditures for items having a useful life that is substantially longer than the length of the year in which the purchase is made, including buildings and building improvements, vehicles, or equipment, office furniture, recreation equipment, property fixtures, computer equipment and software, and machinery.

Supplies shall mean expendable, daily use items, including, but not limited to, paper clips, staples, hole punches, binders and laminators, writing utensils, plastic and paper products, ink cartridges, cleaning products, chemicals and pharmaceutical products, animal feed, batteries, paint, gravel, and automotive fluids.

Services shall mean non-tangibles, such as the provision of pest control, cleaning, maintenance, landscaping, grounds keeping, or software maintenance, or the provision of accounting, architectural, consulting, engineering, grant preparation, surveying or other professional expertise, provided for a fee.

Sole source means those procurements made pursuant to a written determination by a governing authority that there is only one source for the required supply, service, or item.

C. Purchasing Policy Overview

All contracts shall be in writing and shall be approved by the Board of Commissioners and entered upon the minutes. All procurement procedures will be conducted in a fair and impartial manner. This policy shall apply to the purchase of supplies, equipment, and services to the extent that it is not in conflict with the general laws of the State of Georgia governing contracts, including, for example: O.C.G.A. §§ 32-4-60 et seq, governing contracts or subcontracts entered into by a county with any person, with the state or federal government or an agency of either, with another county or counties, with a municipality or municipalities, or with any combination of the foregoing entities for the construction, reconstruction, or maintenance of all or part of a public road, including but not limited to a contract for the purchase of materials, for the hiring of labor, for professional services, or for other things or services incident to such work.; the Georgia Local Government Public Works Construction Law, O.C.G.A. §§ 36-91-1 et seq., governing contracts for the building, altering, repairing, improving, or demolishing of any public structure or building or other public improvements of any kind to any public real property other than those projects covered by Chapter 4 of Title 32, (not including the routine operation, repair, or maintenance of existing structures, buildings, or real property).

1. Solicitation of Vendors and Submission of Bids for Supplies

When a purchase of supplies or capital goods is expected to exceed \$500, the supplies or equipment must be purchased through a competitive solicitation process, unless the Board of Commissioners has determined that the supply is available only through a sole-source. A minimum of three vendors shall be solicited. If three sources cannot be identified prices must be solicited from as many vendors as possible. The department head shall document the competitive process with written records of the vendors contacted and responses received.

2. Interest of Effingham County Officials in Expenditure of Public Funds

No official, employee, or agent of Effingham County will be interested directly or indirectly in any transaction with, sale to, work for, or contract of Effingham County or any department of government or service involving the expenditure of public funds in violation of Effingham County's "Ethics Policy." No official, employee, or agent of Effingham County shall disseminate price or fee information provided by a vendor or service provider for the purpose of providing a competitive advantage to another vendor.

3. Award of Contracts and Bids

Bids shall be awarded based on the criteria noted within the RFP or Bid request or as approved by the BOC when additional factors of service are found to be in the best interest of Effingham County. Bids ordinarily will be awarded to the lowest responsive and responsible bidder. A responsive bid is one that conforms in all material requests to the need of Effingham County. A responsible bidder is a bidder who has demonstrated the capability to deliver the supplies or equipment and/or perform the services in a timely manner consistent with applicable commercial or professional standards and in accordance with the County's requirements.

4. Reserved.

5. Credit Cards and Charge Accounts

Receipts for payments made by county-issued credit card or vendor charge accounts shall be vouchered (placed on a manual requisition) and turned in to the accounts payable department within five business days. Credit cards and charge accounts shall be used only for county business. Credit cards and charge accounts may not be used to circumvent the requirements of this policy with regard to approval authority and competitive procurement. The employee to whom a credit card is assigned shall be held accountable for any unauthorized purchases.

6. Monthly recurring bills for goods and services

Bills for utilities and services such as phone, electricity, gas, and water may be placed on a monthly recurring billing list upon the approval of the Board of Commissioners. Such bills may be paid without further authorization of the Board or the Administrator. No change in utility service shall be made without the approval of the County Administrator.

7. Laws and Regulations

Effingham County shall comply with all state, local, and federal laws and regulations regarding purchasing and payment to vendors.

8. Payments to Vendors and Check Processing

Payments to vendors shall be made within the time allowed by the terms of the purchase order or agreement or within 30 days from the invoice date, if not specified. It shall be the policy of Effingham County to run checks weekly. Requests for checks should be turned in not less than 2 business days prior to the check run date.
(Ex. Thursday = check run turn in by Tuesday 5:00 pm)

9. Expenditures Approved by the BOC

Purchase orders or invoices for expenditures approved by the Board of Commissioners shall be accompanied by a copy of the minutes reflecting the Board's action and the contract, if any, which together shall serve as authorization of the expenditure. Funds may be disbursed upon approval by the project manager or department head overseeing the expenditure.

10. BOC Approval

All contracts for services and all agreements for the use, rental, lease, or purchase of real property shall be in writing and shall be approved by the Board of Commissioners. Requests for purchases or contracts that require the approval of the Board of Commissioners should be sent to the County Administrator not less than two weeks before the meeting at which approval is to be sought, except in the event of an emergency or other circumstances that require that consideration not be delayed.

11. Monitoring of Expenditures

A department head may delegate purchasing authority to a subordinate; however, the department head shall be responsible for all expenditures approved by his or her subordinate and shall ensure compliance with this policy and all federal, state, and local laws and regulations. The Finance Director is charged with administering and monitoring the purchasing policies. The Finance Director shall address possible compliance issues with the department head. Compliance issues that cannot be resolved by the Finance Director shall be reported to the County Administrator in writing.

D. Purchasing of Supplies and Capital Goods

1. Competitive Purchasing Required.

Prices for supplies and capital goods shall be solicited prior to purchase using the purchase requisition system or where not available manual forms approved by the Board of Commissioners and in accordance with federal, state, and local laws and regulations and this policy. Each department head shall have the authority to purchase supplies costing less than \$1,500 as long as funds are budgeted and available. All capital expenditures NOT explicitly approved in the budget require County Administrator approval. Capital expenditures of more than \$10,000.00 explicitly approved in the budget require County Administrator approval under the following circumstances (1) The Finance Director advises the County Administrator of insufficient funds for such a purchase; or (2) the County Administrator is aware of changes in the organization which may alter the need for such a purchase.

2. Competitive Solicitation Requirements.

- a. For the purchase of supplies or capital goods costing more than \$500.00 but not exceeding 1500.00, at least three verbal quotations shall be solicited and responses shall be noted and submitted to the Finance Officer contemporaneously with purchase requisition form.
- b. For the purchase of supplies or capital goods costing more than \$1,500.00 but not exceeding \$20,000, or capital expenditures at least three written quotations shall be solicited and responses shall be noted and submitted to the Finance Officer contemporaneously with purchase requisition form.
- c. For the purchase of supplies and capital goods costing more than \$20,000.00, sealed bids shall be solicited through the purchasing office; provided that the purchase of stock vehicles and equipment may be made by written quotation.
- d. Purchases shall not be segregated or split among multiple purchase orders for the purpose of evading the requirements of this policy or any federal, state, or local laws or regulations.
- e. The foregoing competitive solicitation requirements shall not apply to supplies purchased through the Georgia Department of Administrative Services provided that the purchasing department has determined within the 6 months preceding purchase that the price provided through the Georgia Department of Administrative services is the best price for the item being purchased.

3. Quotations.

Quotations may be requested on budgeted and non-budgeted items. Sealed bids shall be solicited through the purchasing office.

4. Approval authority

The following shall apply to the expenditures of Effingham County budgeted funds for supplies, services and capital goods.

- a. Expenditures of up to \$1,500.00 may be authorized by a department head.
- b. Expenditures of \$1,501.01 up to \$3,000.00 may be authorized by a department head subject to the approval of the purchasing agent.
- c. Expenditures of \$3,001.01 up to \$10,000.00 may be authorized by a department head subject to the approval of the Finance Officer.
- d. Expenditures of \$10,001.01 up to \$20,000.00 may be authorized by a department head subject to the approval of the Finance Officer and County Administrator.
- e. Expenditures of over \$20,000.00 require signature approval by a member of the board of commissioners signature even if budgeted.
- f. **Non-budgeted items** require approval of the board of commissioners prior to purchase.
- g. A department head may seek the approval of the Board of Commissioners for any expenditure in excess of \$1,500.00 that is not approved by the Finance Officer and County Administrator.
- h. The finance director shall produce a monthly summary to the BOC on all budgeted expenditures over \$10,000.00.

E. Acquisition of Services

Except when waived by the County Administrator or Board of Commissioners or when services are being procured through an intergovernmental agreement with a state, local, or federal government entity, a Request For Proposal (RFP) process shall be used for procuring services having an estimated cost of more than \$1,500.00. The RFP should specify the nature and scope of services to be performed, evaluation criteria, and terms and conditions of performance required by Effingham County. The criteria to be considered by the County Administrator with regard to waiver of the RFP process include, but are not limited to:

whether the use of an RFP process would result in the loss of valuable expertise or historic knowledge; whether a change of providers would delay an ongoing project; and whether the use of an RFP process would hinder the County's ability to procure the service in a timely manner or result in inefficiency, or result in incompatibility with existing County infrastructure, equipment or services. The procurement of services shall be subject to the same approvals that are applicable to the purchase of supplies and capital goods as set forth in Section D.4, above, and the further requirement that no services having a value in excess of \$1,500.00 shall be procured except pursuant to a written contract approved by the Board of Commissioners; provided that, where the Board of Commissioners has approved an open-ended contract for services establishing a schedule of fees for such services, the County Administrator may authorize the performance of services under such contract for amounts of up to \$20,000.00 without further approval of the Board.

Myra W. Lewis
Myra W. Lewis, Chairperson
Effingham County Board of Commissioners

Approved: 3/18/08

Attest: Patrice R. Morris
Patrice R. Morris, County Clerk