

SECTION 3 METHODS OF SOURCE SELECTION

3.0 PURPOSE

To provide policies and procedures for the selection of sources.

3.1 SCOPE

These policies and procedures will cover the following methods of source selection:

- a. Small Purchases (Quotations)
- b. Competitive Sealed Bids
- c. Competitive Sealed Request for Proposal (RFP)
- d. Emergency Purchases
- e. Sole Source/Non-Competitive Purchases
- f. Purchasing Card (See Chapter 18)

3.2 APPROVAL THRESHOLDS

The Director of Purchasing is authorized and empowered to purchase or contract for equipment, commodities and services for County purposes when the amount to be paid by the County does not exceed **\$100,000** in a fiscal or calendar year. The County Administrator is authorized for purchases exceeding **\$100,000** in a fiscal or calendar year, **but not exceeding \$250,000** in a fiscal or calendar year. The Board approves all purchases exceeding **\$250,000** in a fiscal or calendar year. **FOR MULTI-YEAR CONTRACTS, WHEN ANNUAL AMOUNT IS NOT SPECIFIED, SIGNATURE AUTHORITY IS BASED ON AVERAGE AGGREGATE YEAR EXPENDITURE. THIS WILL APPLY FOR ALL AUTHORITIES (PURCHASING DIRECTOR/ ADMINISTRATOR/BOARD).**

3.3 SMALL PURCHASES (QUOTATIONS)

- A. The Director of Purchasing, will obtain multiple competitive quotations whenever possible **EXCEPT** for small purchases under \$5,000, which are exempted per County Code Section 2-179. Non-competitive items are also an exception; however, written documentation confirming this condition is required. Other circumstances creating an inability to secure multiple quotations shall be documented on the individual requisition and shall be properly filed for auditing purposes.
- B. The Director of Purchasing may solicit either oral or written quotations from the open market and shall use available current vendors and suppliers price lists. All quotations in excess of **five thousand dollars (\$5,000)** must be at least documented on the purchasing requisition. If at least two (2) quotations are not possible, the Director of Purchasing or designee, will make a written determination of vendor source and shall document these transactions for the purchasing file.

3.4 COMPETITIVE SEALED BIDS

A. Policy

1. All purchases or contracts except, as provided below, when the sum is in excess of **one hundred thousand dollars (\$100,000)** and above in a fiscal or calendar year shall be by Invitation to Bid or Request for Proposal. The Board shall make award, if the value, in a fiscal or calendar year, exceeds \$250,000 on the basis of lowest **responsive and responsible bidder**. The County Administrator may approve all contracts between \$100,000 and \$250,000 in a fiscal or calendar year and the Director of Purchasing for all contracts up to \$100,000 in a fiscal or calendar year.
2. The **Director of Purchasing** shall maintain a posting via the internet, accessible to the public where all advertisements for bids and/or bid tabulations may be posted.
3. All requirements necessitating bidding shall be accompanied by a purchase requisition or memo from a Department Director. Authentication of this letter by the Department Director or authorized **designee attests the availability of funds**.
4. Exceptions to sealed bid and award method include:
 - a. **Other Governmental Agency Contracts** - The Director of Purchasing **procures** commodities, materials, equipment **and services** from the State of Florida, Federal Government (GSA) and other governmental **entity** contracts **when deemed to be in the best interest of the County**. When purchasing off another agency contract, Pinellas County requirements should be less in quantity than the agency contract to justify economy of sale.
 - b. **Purchase or Repair of Mechanical Equipment Utilized in Production or Distribution of Water or Collection and Treatment of Sewage** - Where such mechanical equipment fails or otherwise ceases to operate and such failure impairs the continued production or distribution of water or the collection and treatment of sewage, the Director of Purchasing, upon approval by the Administrator, may purchase said equipment or provide for its repair on an emergency basis.
 - c. **Non-competitive Purchase/Sole Source Purchase** - In the event commodities, materials, equipment and/or services are available from only one manufacturer or provider (sole source) or reasonable and practicable (non-competitive) source and the cost exceeds five thousand dollars (\$5,000), the Director of Purchasing or designee, upon approval of the County Administrator, shall solicit a quotation of cost from the sole source or non-competitive source and negotiate terms and conditions with the vendor and department director (or designee) as needed.

Final authority for approval of a Non-competitive/Sole Source Purchase shall be consistent with designated limits set forth in the Code.

3.4 COMPETITIVE SEALED BIDS - Continued

B. Procedures

1. On the time and date specified, the Invitations to Bid will be opened and recorded in the presence of a representative of the Clerk. **Bids will not be accepted after the time set for the bid opening.** The official clock for recording time is the Bid time clock located in the Purchasing Department. Tabulations will be available for review by anyone interested, at an appropriate time as determined by the Director of Purchasing.
2. The Director of Purchasing and department director(s) or their designees, will review the bids and recommend to the appropriate authority, the vendor(s) to receive the award on the basis of **being the lowest responsive and responsible bidder meeting specifications.**
3. After a bid has been opened, a bidder **is** not permitted to withdraw or alter **their** bid, or any deposit, which may have been made.
4. **TIE-BIDS:** In the event two (2) or more vendors have submitted the lowest and best bids, price and service considered, the bids shall be awarded by drawing lots in public.
5. For non-agreement purchases requiring the Board approval, the date the Board formally approves the bid or proposal is the effective date unless otherwise indicated by the Board. In the case of an option of renewal, the effective date of the renewal will be the date following the expiration of the previous term.
6. For agreements, the date entered in the text portion of the contract will be the effective date. If no date is indicated, the date the contract is fully executed will be the effective date. This date indicates to the Board and Purchasing that there is a priority or coordination with other contracts or other specific needs.
7. After approval of the award by the Board, the County Administrator or Director of Purchasing or designee will notify the successful bidder. The normal means of notification is by Internet Website or issuance of a purchase order; however, the Director of Purchasing will notify the successful bidder of the award by the most expedient and practical means available.

3.5 COMPETITIVE SEALED PROPOSALS, REQUESTS FOR QUALIFICATIONS (RFQ), REQUESTS FOR NEGOTIATIONS (RFN) (Together the “Proposals”)

Policy

1. Sealed Request for Proposals (RFP) are a procurement method utilized when due to the uniqueness of the need a bid is not appropriate. RFP's, RFQ's and RFN's are established around general guidelines and a conception of the need, rather than a firm specification. These competitive procurement alternatives should in general only be used when no fixed criteria exists.
2. Sealed RFP's, RFQ's and RFN's require some degree of creativity from the vendor and shall be applied in the same manner, procedurally, as formal sealed bids, requiring advertising when deemed necessary.
3. The effective difference with a competitive sealed bid is that with a bid once the judgmental evaluation is compiled, the award is made on a purely objective basis to the lowest responsive and responsible offerer. Under competitive sealed request for proposals, the quality of competing products or services may be compared and trade-offs made between the price and quality of the products or service offered.

Procedures

1. The Director of Purchasing assigns the competitive procurement process to a Procurement Analyst (PA) to review for clarity and completeness.
2. The PA schedules key events and dates for the request for proposal review and issuance, public notice, the pre-proposal conference, the proposal opening, evaluation, Board approval, and the preparation of the purchase order and/or contract (see Section 4).
3. The PA reviews the requirements and prepares the request for proposal package, contract review form, and bidders mailing list for review by the Director of Purchasing.
4. The request for proposal package and bidders list are submitted to the Director of Purchasing and to the originating department for approval.
5. The PA issues proposal packages to all vendors on the bidders mailing list.
6. The pre-proposal conference with vendors may be beneficial, depending on the complexity of the specifications or scope of work to be performed. When pre-proposal conferences are held, the PA should prepare a summary of the meeting. If changes are made to the specifications, the PA must prepare an addendum and issue it to all vendors who have received a request for proposal. The addendum will be posted on the Purchasing Department website as well.
7. Proposals arriving in Purchasing before the opening date and time are filed until the bid opening. All proposals received are date stamped, numbered, and recorded on the register of proposals.

3.5 COMPETITIVE SEALED PROPOSALS, REQUESTS FOR QUALIFICATIONS (RFQ), REQUESTS FOR NEGOTIATIONS (RFN) (Together the “Proposals”)

Procedures – Continued

8. The proposals are opened publicly, in the presence of two or more witnesses, at the time, date, and place designated in the request for proposals. The name of each offeror, a description sufficient to identify the commodity or service, and such other information as is deemed appropriate are read aloud or otherwise made available. Pricing, however, is not announced at an opening for a request for proposal.
9. The PA, in cooperation with the originating department, tabulates and evaluates the proposals.
10. The PA coordinates with the originating department when necessary, discussion with those vendors submitting proposals that are acceptable or potentially acceptable. The PA conducts discussions with offerors to promote an understanding of the County’s requirements and the offeror’s proposal and to facilitate arriving at a contract that will be most advantageous to the County, taking into consideration price and other evaluation factors set forth in the request for proposals.
11. If discussions/negotiations are held, the PA schedules a date and time for the vendor(s) to submit best and final offers.
12. When the evaluations are completed, the PA, in cooperation with the originating department, prepares a written recommendation for award for review by the Director of Purchasing.
13. The recommendation for award is reviewed by the Director of Purchasing and submitted for approval and award from the appropriate authority.
14. Upon approval of the Proposal, the PA issues a notice of award and requests any required insurance certificates, bonds or other contractual documents from the vendor.
15. Upon receipt of these documents, the purchase order and/or contract is prepared, signed, and issued.

3.6 EMERGENCY PURCHASES

- A. Definition of Emergency: An immediate need for equipment, services, or commodities, the lack of which would cause a disruption of essential operations where the protection or preservation of public properties would not be possible through normal purchase procedures, or where there exists a threat to public health, welfare or safety.

3.6 **EMERGENCY PURCHASES** - Continued

- B. To meet an emergency condition, which requires immediate purchase of equipment, commodities or services, the Administrator shall be empowered to authorize the Director of Purchasing to secure by open market procedures, at the lowest obtainable price, equipment, commodities or services regardless of the amount of the expenditures. Purchases exceeding \$250,000 must be filed with and entered into the minutes of the Board.
- C. The Pinellas County Comprehensive Emergency Management Plan provides in Table F, Section 6 “Emergency Ordinances” for deviation from established procedures. There are three ordinances No’s. 95-36A through 95-36C which allow “... Pinellas County to declare a state of local emergency and to waive the procedures and formalities required of political subdivisions by law pertaining to”:
1. Performance of public work and taking whatever action is necessary to ensure the health, safety, and welfare of the community.
 2. Entering into contracts.
 3. Incurring obligations.
 4. Employment of temporary and permanent workers.
 5. Utilization of volunteer workers.
 6. Equipment rental.
 7. Acquisition and distribution, with or without compensation, of commodities, materials and facilities.
 8. Appropriation and expenditure of public funds.

This section establishes specific guidelines with regard to procurement of essential commodities, equipment, materials and services under a declared emergency preparedness incident solution declared an emergency in accordance with the Pinellas County Emergency Management Plan. The Director of Purchasing will procure essential commodities, equipment, materials and services during emergency disaster situations and will coordinate with the County Administrator or designee, appropriate department, and the Pinellas County Emergency Management Team. In this event, all measures reasonably possible under the circumstances shall be taken to assure the maximum cost benefits are made to the County for commodities and services procured.

The Director of Purchasing shall have the authority to reduce the number of days required for competitive sealed bids/proposals without public notice. All normal procurement procedures will be applied. Only advertisement requirements will be eliminated under a declared emergency situation. An emergency period may be in affect for a ninety (90) day period of each emergency natural disaster declaration and/or in accordance with the designated time frame Federal Emergency Disaster requirements.

3.6 EMERGENCY PURCHASES - Continued

In the event of an emergency during non-working hours, the department director is authorized to make purchases without competitive bids to protect the health, safety, welfare, or property of the County or any of its citizens through the authorization of the County Administrator.

Departments should make every effort, depending on the circumstances for competition; the Purchasing Director or designee will be available should assistance be needed.

Where feasible, emergency purchases of \$100,000 or greater should be approved by the County Administrator or designee prior to actual procurement of commodities, materials, equipment or services.

Following each emergency purchase made under the provisions of this section, a report shall be prepared, with complete documentation, clearly stating the justification for an exception from the normal purchasing procedures and submitted to the Director of Purchasing within a 72-hour period after the occurrence. The purchase amount will determine the final approval authority and/or ratification thereof. The Purchasing Department will prepare the essential paperwork for obtaining appropriate approval authority (e.g., Board, County Administrator, Director of Purchasing).

- D. A **written explanation** of the circumstances of an emergency purchase in an amount in excess of **\$250,000 will be confirmed by** the Board, which will then be recorded in the minutes of the Board and be open for public inspection.
- E. Approval for Emergency Purchases under \$250,000 will be approved in accordance to the established authorized thresholds (See Section 2).

3.7 SOLE SOURCE/NON-COMPETITIVE PURCHASES

Sole Source and Non-competitive negotiations may be used as a procurement method for purchases of products or services when available from only one source (Sole Source), or when it is determined by the Director of Purchasing that there is only one practicable and reasonable source wherein competitive bidding is not feasible or not advantageous to the County (Non-competitive). A request for a proprietary item does not justify sole source procurement if there is more than one potential bidder for the item. However, a non-competitive procurement may be justified if there is more than one potential bidder for an item.

3.7 **SOLE SOURCE/NON-COMPETITIVE PURCHASES** - Continued

Sole Source purchases (except for proprietary software purchases, in most cases) at or above the bid threshold of \$100,000 must be publicly advertised per procedure.

Definition of Sole Source Purchase – A Sole Source purchase exists when research has determined there is only one potential provider for an item.

Definition of Non-Competitive Purchase – A Non-Competitive purchase exists when it is advantageous to the County to declare a purchase non-competitive because it will result in verifiable financial savings to the County, is a trial program, or utilizing a competitive process will be detrimental to timely securing the goods or services. More than one potential supplier may exist for a good or service. The Purchasing Department, in conjunction with the requesting department will document the advantages of declaring the purchase non-competitive. Taking this into consideration, therefore, only one reasonable and practicable source exists to supply a particular good or service. Such advantages may include but not be limited to: uniqueness, vendor qualifications, timeliness of purchase, etc.

Purchasing and/or the originating department may negotiate with a sole source/non-competitive provider under the following circumstances/examples.

- a. The needed product or service is available from only one known source, and such determination has been made by the Director of Purchasing. (Sole Source Purchase)
- b. The product or service is wanted for experimental trial or testing. (Non-competitive Purchase)
- c. The product is purchased for resale. (Non-competitive Purchase)
- d. Additional products or services are needed to complete an ongoing task. (Non-competitive Purchase)
- e. A product or service is purchased from, or a sale is made to, another unit of government.
- f. The product is a component or replacement part for which there is no commercially available substitute and when can be purchased only from the manufacturer, sole distributor or provider. (Sole Source Purchase)
- g. The needed product or service may be available from more than one source. However, due to documented advantages such as uniqueness, vendor qualifications, timeliness, etc., a non-competitive purchase may be initiated when such determination has been justified that there is only one practicable and reasonable source, with confirmation by the Director of Purchasing. (Non-competitive Purchase)
- h. Funds have become readily available through a grant process and must be spent in a time frame that does not permit competitive bidding. (Non-competitive Purchase)

3.8 MULTI-STEP SEALED BIDDING

The multi-step sealed bidding method combines certain elements of the competitive sealed bidding and competitive sealed proposals methods and utilized the following circumstances:

- A. Available specifications or purchase descriptions are not definite or complete.
- B. Definite criteria exist for evaluating technical proposals.
- C. More than one technically qualified source is available.
- D. Sufficient time will be available for using the two-step method.
- E. A firm, fixed-price contract with economic adjustments will be used.

3.9 PURCHASE ORDERS, CONTRACTS, PROCEDURES AND ACTIVITIES

Open Market Purchase

- A. The Director of Purchasing should obtain multiple written competitive quotations for purchases on the open market, without **public notice**, for:
 - I. Commodities, equipment and services of an estimated value below **one hundred thousand dollars (\$100,000)** in a fiscal or calendar year, but above an estimated value of ten thousand dollars (\$10,000).
- B. The Purchasing Director may award contracts for such purchases.

3.10 MASTER PURCHASE ORDERS / CONTRACT PURCHASE ORDERS

Policy

Master Purchase Orders (MPO) and Contract Purchase Orders (CPO) are initiated by the Purchasing Department to secure commonly needed goods and/or services, usually on an annual basis. More than one user commonly utilizes the goods and/or services. Pricing and/or convenience make them practical for all users of the Purchasing Department.

Master/Contract Purchase Orders are a **result of** a term contract, which is competitively secured in accordance with the conditions set forth within the Pinellas County Purchasing Code and/or State of Florida Statutes. It may be authorized by the Purchasing Director, County Administrator, or BC and properly executed with a purchase order **based on the threshold authority levels (See Section 2)**.

3.10 **MASTER PURCHASE ORDERS / CONTRACT PURCHASE ORDERS** - Continued

Procedures

The estimated total cost is adjusted for a Master/Contract Purchase Order by revising the Master/Contract Purchase Order. The County Administrator may increase a Master/Contract Purchase Order to any amount if approved prior by the Board. Unit pricing, terms and conditions must remain the same. The Director of Purchasing may increase Master/Contract Purchase Orders within the limit of delegated financial approval authority.

1. This form is initiated by the Purchasing Department ONLY.
2. A copy is forwarded to the Finance Department - Accounts Payable as the supporting justification for an increase or decrease only in the estimated total cost.
3. All other adjustments or changes must be done in accordance with the standard Change Order procedure and must utilize the Change Order form.
4. Estimated total cost adjustments “require” appropriate Administrative approval.
5. Usage and total cost are estimated amounts based on past purchases and anticipated needs.
6. Annual adjustments to Master Purchase/Contract Purchase Orders should not exceed the amount of the contract originally awarded. As a rule, due to economy of scale the contract should be re-bid if the adjustment exceeds the original amount awarded.

3.11 **CONTRACT RELEASE PURCHASE (CRP)**

Policy

ONLY ITEMS SPECIFICALLY INCLUDED IN THE MASTER PURCHASE ORDER CAN BE ORDERED ON A CRP. Any item(s) ordered that is not stated in the MPO or supporting documents is a violation of the agreement and can result in a violation of our purchasing policies under the County Code.

Contract Release Purchases are used to release contract items against MPOs. It is imperative, for the proper encumbrances of funds, that each release is entered into the system **prior to** contracting the vendor to request the release.

3.11 CONTRACT RELEASE PURCHASE (CRP) - Continued

Procedures

The advantages of the MPO and CRP's are:

- A. Shorter time frame for obtaining goods that have already been competitively bid and approved by the respective designated authority.
- B. Enables Purchasing to maintain accurate records of expenditures against contracts to accurately reflect the total County requirements to obtain the most favorable pricing for the next contract time period.

Contract Release Purchases may not be issued without first entering the purchase in the system to obtain the CRP Number, (RELEASE NUMBER)

The originating department makes direct entry of a CRP. The item numbers on the contract must be entered via the screen. When entry is complete, the system will assign the next sequential Release Number.

- A. Vendor copy may be faxed and then mailed.
- B. Finance copy to be matched with the packing list when the material or services are received and mailed to Finance for payment.

If during the entry of a CRP, the maximum MPO dollar amount is exceeded, a system message will appear on the screen that reads A **MAXIMUM MPO LIMIT IS EXCEEDED**. Please telephone the Purchasing Department to request a change order to the MPO number. The originating department representative will be able to make changes until the close of the current business day; subsequent to that time, the request for changes will be referred to the Purchasing Department. **Deletion can only be made by the Purchasing Department representative.**

A Contract Release Purchase form and number will be generated by the computerized system.

3.12 ALTERNATES

Unless otherwise provided in an Invitation to Bid or Request for Proposals, ALTERNATIVES may be included in the plans, specifications, and/or proposals. When included, the Bidder or Offerer shall indicate on the proposal the cost of said alternate and sum to be deducted or added to the Base Bid. Such alternates may or may not be accepted by the County. If approved, it is at the County's discretion to accept said alternate(s) in any sequence or combination therein.

3.13 SUBSTITUTION

Each Bidder/Offerer represents that the bid is based upon requirements described in the bidding documents and that such commodities, equipment, materials and services fully meets the requirements of the Bidding Documents.

Whenever, any material, item, product, system or process is specified by trade name or name of manufacturer or vendor to establish class or standard required, any other material, item, product, system or process, considered equal by the originating department may be accepted.

In each such instance, the material, item, product, system or process specified by trade name or name of manufacturer or vendor shall be considered as a standard basis for bidding and to ensure a uniform comparison of bids, the contractor shall base the bid/proposal on the particular material, item, product, system or process identified.

Should a contractor decide to substitute a material, item, product system or process other than that named in the specifications, the contractor shall attach to the proposal at the time of submission, a separate sheet upon which shall be listed the pre-approved materials, items, products, systems or processes which the contractor desires to substitute.

No substitution will be considered unless written request has been submitted to the Purchasing Department for approval in the time specified. Each request shall include a complete description of the proposed substitute, the name of the material or equipment, etc. for which it is to be substituted, drawings, samples, performance and test data, references and other data or information necessary for complete evaluation. A written approval must be issued by the County or designee in order for the substitution to be fully accepted.

3.14 INDEMNIFICATION STATEMENT

It is the County's standard policy to require vendors and contractors who do business with us to indemnify the County. The County Administrator or designee will only make any deviations from this policy at the sole option of the County, when it is determined to be in the best interest of Pinellas County.

3.15 INSURANCE REQUIREMENTS/RECOMMENDATIONS

Prior to commencing work the contractor shall procure and maintain, at the contractor's own costs, for the duration of the contract and any extensions insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work or services hereunder by the Contractor, contractor's agents, representative, employees or subcontractors and any other insurance coverage required by the Invitation to Bid or Request for Proposals. The cost of such insurance shall be included in the Contractor's bid.

A Florida Resident Insurance Agent shall sign all Contract, Bonds, and Insurance requirements by State Law. All insurance shall be obtained from an agency of an insurance company, which agency shall have an established place of business in the State of Florida, and be duly licensed to conduct business therein (see Section 12).

3.16 PUBLIC NOTICE

A. Public Notice means the required notification or advertisement of an Invitation to Bid, Request for Proposal, or other competitive solicitation, to be given to prospective vendors for a reasonable period of time as determined by the Director of Purchasing, which shall, **for all purchases at a minimum include:**

- US mailing or emailing public notice to prospective vendors on an applicable bidders list maintained by the Purchasing Department, and
- Posting Public Notice on the Purchasing Department website

For the purchase of Capital construction valued in excess of \$200,000 – advertisement of the public notice will be either in a newspaper of general circulation in the County, trade journal, bulletin or other publication that will inform prospective vendors of the proposed purchase, as determined to be appropriate by the Director of Purchasing.

The public notice shall describe the goods or services sought and state the date, time and place of the bid/proposal/solicitation opening.

B. The advertisement inviting bids for construction projects expected to cost between \$200,000 - \$500,000 shall be published in at least one newspaper of general circulation within the County at least twenty-one (21) calendar days prior to the scheduled bid opening. The advertisement inviting bids for construction projects expected to cost more than \$500,000 shall be published in at least one newspaper of general circulation within the County at least thirty (30) calendar days prior to the scheduled bid opening.

C. Real Estate Public Notices - The property shall be advertised for sale as indicated below:

1. Description of property;
2. Date, time and place to submit sealed bids;
3. Base bid price may be included;
4. Statement that the Board reserves the Right to reject any and all bids;
5. Requirements for each bid to be accompanied by a deposit of 10% of the bid price (in the form of a cashier's check's check, money order, or other payable to the Board), with the balance payable on or before thirty (30) days from the date of acceptance of the highest bid received.

3.17 REQUEST FOR PURCHASE (REQUISITIONS)

Policy

Departments are required to utilize a requisition form when making acquisitions of equipment, materials, commodities, or services through the Purchasing Department.

3.17 REQUEST FOR PURCHASE (REQUISITIONS) - Continued

Procedures

- A. All Departments or agencies under the Board shall obtain equipment, commodities, materials and services by submitting a requisition to the Purchasing Department for items totaling more than **\$5,000** and Fixed Asset items exceeding the **\$1,000** limit.
- B. The following is a checklist in preparation of the requisition.
1. **Suggested Vendor: Self-explanatory**
 2. **Special Instruction for Buyer: enter any instruction for the Buyer/PA**
 3. Date: Current date only.
 4. Department: Self-explanatory.
 5. Fund/Acct./Center: Self-explanatory.
 6. If capital outlay, amount budgeted: Self-explanatory.
 7. Quantity Required: Self-explanatory.
 8. Unit: Self-explanatory.
 9. Description: Be as specific as possible. The more information furnished, the easier it will be to place your order. All item descriptions will be considered to include "equal" or substitute items at the discretion of the Purchasing Department. If the department requires "No Substitute", it must so state on the requisition and be accompanied by a memorandum of justification. There will be no exceptions.
 10. Unit Price: **enter budgetary estimated cost**
 11. Total: **(NOTE: system totals requisition automatically)**
 12. Freight terms
 13. Expected Receiving Date: **Date commodities are to be delivered.**

3.18 REQUEST FOR CONFIRMING OR ADVANCED PURCHASES

Policy

Confirming or advanced purchases are made only in those limited circumstances when the normal time required to submit requisitions to Purchasing cannot be handled under routine conditions.

Procedures

- A. THE ORIGINATING DEPARTMENT WILL CALL PURCHASING FOR AN ADVANCE PURCHASE ORDER AND FURNISH A COMPLETE DESCRIPTION OF THE ITEMS OR SERVICES NEEDED. THE PURCHASING DEPARTMENT WILL DETERMINE THE APPROPRIATENESS OF THE REQUEST.
- B. The originating department will call the vendor and place the purchase order. Purchasing will coordinate whether the vendor is to schedule the service, deliver the materials or the ordering department is to pick them up.
- C. Under no circumstances are items to be picked up by a department before contacting Purchasing for the issuance of a purchase order number. The Department Director shall be responsible for unauthorized purchases.
- D. The contractor is responsible for obtaining any permits necessary to complete the work covered by an order at its own expense prior to starting any work under the order.

3.19 PETTY CASH REQUEST

Policy

Departments or agencies with petty cash funds may purchase items costing up to fifty dollars (\$50) in accordance with policies and procedures established by the Board's Finance Department.

3.20 AVAILABILITY OF FUNDS

Policy

Departments are hereby advised that purchase requests **must** not be submitted **without sufficient funds**. If funds are not available, it will be the responsibility of the department **director or designee** to rectify the situation. An **electronic** requisition shall indicate that funds are budgeted and available unless otherwise stated.

3.21 RECEIPT OF COMMODITIES AND SERVICES

Originating departments must complete the following steps upon receipt of commodities and services:

- A. Any equipment, services **or commodities shipped** directly to the ordering department must be checked by that department as to accuracy, quantity and quality. Only after this has been accomplished should a delivery ticket, invoice or receiving report be signed. **All exceptions are to be noted on the document signed. All claims should be processed in accordance with the county and/or carrier policies.**
- B. Partial payment forms, complete with packing tickets and invoice (if received), are to be sent directly to the Finance Department.
- C. Receiving/Payment copy is to be sent directly to the Finance Department, complete with packing ticket and an invoice, to indicate final payment.
- D. To avoid delays in payment to the vendor and compliance with the Prompt Payment Act, all receiving documents are to be completed depicting the account number and obtaining an authorized signature prior to forwarding to the Finance Department.
- E. When signing for services performed, sign only for what was actually performed. Never sign blank invoices or service tickets. Always insist that the vendor leaves a copy with your department.
- F. If items received are damaged or defective, the receiving department should make every effort to resolve the situation prior to notifying the Purchasing Department, who will contact the vendor for resolution. The receiving department shall not approve for payment until the item(s) is corrected or replaced by the vendor.

3.22 PURCHASE ORDER FOLLOW-UP: Monitoring and Expediting

Policy

- A. Departments initiating requisitions should keep track of all outstanding requisitions and coordinate with the Purchasing Department to ensure proper receipt of requisition.
- B. The function of the Purchasing Department is to supply equipment, commodities, materials or services to fulfill requirements. This function is not complete until satisfactory delivery of such items has been made. Follow-up of outstanding purchase orders can be made if requested by the originating department as follows:

3.22 PURCHASE ORDER FOLLOW-UP: Monitoring and Expediting - Continued

Procedures

- A. The Purchasing Department may review open purchase orders to ensure receipt of the order by the vendor and their compliance with the delivery schedule.
- B.. Disparity between the purchase order delivery date and the date the vendor responds to the Purchasing Department, will be resolved by contacting the **originating** department, either by telephone or in writing and allowing the originating department to determine what effect, if any, the revised delivery schedule will have on its operation. The **originating** department will recommend to Purchasing, the course of action to be taken to satisfy its requirements.
- C. The Purchasing Department, approximately **two (2)** business days prior to the scheduled or rescheduled delivery date, can again contact the vendor to ensure the goods have been or will be shipped in order to meet the delivery requirement.
- D. Should goods not be received as scheduled and verified with the vendor, the department should contact the Purchasing Department, who can then track the order until received.
- E. Poor vendor performance, i.e., broken promises, poor service, back orders, substitutions, damaged merchandise, pricing errors, etc., will result in the Director of Purchasing evaluating such performance to determine the appropriate action. However, the originating department must inform Purchasing of such poor performance.

3.23 CANCELLATION OF PURCHASE ORDERS

Policy

The cancellation of purchases shall be in accordance with the approval authority levels.

- A. When a department determines that an order is to be canceled the Purchasing Department must be notified. The Procurement Analyst/ **Buyer** who placed the order should be the person contacted.
- B. The Procurement Analyst/ Buyer may cancel the order verbally, but the action must then be confirmed in writing **to the vendor and utilization of** a Change Order form initiated by the Procurement Analyst or the ordering department and authorized by the Purchasing Department and sent **to the Finance Department**.
- C. Purchasing will attach their copy of the cancellation Change Order to the copy of the original purchase order and maintain in the permanent records.
- D. Change Order cancellation notice must be sent to the Purchasing Department for approval and distribution to all parties involved.

3.24 PROCESSING PURCHASE ORDER CHANGE - STANDARD

Policy

- A. The purchase order change is processed by the Purchasing Department to alter, adjust, revise, terminate or cancel a purchase order.
- B. A Change Order relating to a Purchase Order of a value greater than **\$250,000** in a fiscal or calendar year or a Change Order resulting in an existing Purchase Order exceeding **\$250,000** is to be **authorized by the Board** and signed by the Purchasing Director.
- C. A Change Order relating to a Purchase Order of a value greater than **\$100,000** in a fiscal or calendar year or a Change Order resulting in an existing Purchase Order exceeding **\$100,000 but less than \$250,000** in a fiscal or calendar year are to be **authorized by the County Administrator** and signed by the Purchasing Director.
- D. A Change Order, relating to a Purchase Order of a value less than \$100,000 in a fiscal or calendar year or a Change Order resulting in an existing Purchase Order less than \$100,000 in a fiscal or calendar year are to be authorized and signed by the Director of Purchasing or designee.
- E. A time only extension may be approved by the County Administrator or designee.