

PURCHASING POLICY

Amended 04/14/09

1. PURPOSE

This Policy establishes procedures for the purchase of all supplies, merchandise, and articles and services for the operation and maintenance of all Tuscola County offices and departments in a manner that provides maximum open and free competition. The intent is to accomplish this objective while minimizing administrative costs of implementing the policy.

The authority to establish this Policy is with the Tuscola County Board of Commissioners. The policy may be changed at the discretion of the Tuscola County Board of Commissioners.

This policy applies to all departments of the County of Tuscola with the following exclusions: Tuscola County Road Commission, Tuscola County Behavioral Health, Tuscola County Medical Care Facility, Tuscola County Health Department, and Tuscola County Human Services.

The Board of Commissioners and Controller shall be responsible for the implementation of this policy.

2. POLICY

2.1 Scope: The policy shall apply to the purchase or lease of equipment, capital improvements, construction, supplies, repair work, lawn maintenance, etc.

Professional assistance such as legal services, computer consultants, auditing, engineers, architects etc. is not required to be bid, but may be bid at the discretion of the Tuscola County Board of Commissioners. Similarly, because of the costs of preparing specifications and necessary information, bidding of County insurances and fringe benefits such as health/dental, and life insurance are not required to be bid upon renewal, but may be bid at the discretion of the Board of Commissioners.

2.2 Implementation: Certain purchases are centralized and are to be conducted through the Controller/Administrator's Office, such as office supplies, paper, and most computer items, etc. Certain other items may be decentralized and delegated to be purchased directly by departments, but only in accordance with the provisions of this Policy. Inquiry shall be made with the Controller/Administrator's Office to determine whether an item will be purchased or leased centrally or delegated to be purchased

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by individual departments. Purchases over \$10,000 require the review of an appropriate committee and Board of Commissioners for approval before the item is purchased.

It is the intent of the policy to purchase like equipment items as a package rather than purchasing individually (IE: savings through purchasing 6 typewriters together rather than 1 typewriter individually). Inquiry shall be made with the Controller/Administrator's Office to determine whether budgeted items will be bid as a package.

Related items shall not be separated into individual purchases to circumvent certain bidding requirements.

- 2.3 Relationship of Budget and Purchasing: Departmental equipment/capital improvement requests shall be made as part of the annual budgeting process. If approved, most equipment/capital improvement items are generally budgeted in the County Equipment/Capital Improvement Fund #244. In some situations, these items may be budgeted in certain special revenue funds.

The amount requested by the department to be budgeted should be based on estimates received from vendors or other resource materials. It is the Board's intent to budget as close as possible to actual costs.

Items purchased out of the 727 supplies, printing and postage line item with a purchase price of \$500.00 or more shall not be purchased unless authorization has been given by the Board of Commissioners through the budgeting process or other Board actions. (Supply, printing, and postage line items are not intended by the Board to be used for major equipment/capital improvement items).

- 2.4 Six Month Office Supply & Paper Purchases: Departments are required to utilize the central purchasing procedure that is conducted approximately every six months through the Controller/Administrator's Office for office and paper supplies. Sufficient quantities of items should be ordered by departments so as to minimize incremental purchases between six month purchases. Bids from this process shall be reviewed by an appropriate committee with final bid award to be made by the Board of Commissioners. Office and paper purchases shall be received as closed sealed bids. Because this category of bidding is closed sealed, faxed bids will not be accepted.

- 2.5 Bidding Specifications for Dollar Amounts of \$2,000 or More: Written

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specifications must be submitted with requests for bids for items anticipated to cost \$2,000 or more. Specifications shall be the same for all bidders. For lower cost items, written specifications are not required. Because of expertise required in certain situations, assistance in developing specifications may be obtained from vendors and other sources as necessary.

- 2.6 Brand Specifications: Certain brands or types of items may be specified in bid specifications in order to meet certain desired quality standards.
- 2.7 Policy Waiver: Provisions of this Policy may be waived from time to time if following the normal purchasing policy would impair the ability to provide services and perform regular operations. Examples might include: plumbing, electrical, heating, computer or similar problems where time or other constraints would not allow for normal bidding procedures.
- 2.8 Used Equipment: If used equipment is being purchased, bids are not required. Because used equipment can vary in age, conditions, etc., bid comparisons would not be possible.
- 2.9 Tagging: When equipment is purchased, it is the responsibility of the department for which the equipment was purchased to comply with the County tagging policy. Procedures to be followed in the tagging and recording of equipment can be obtained from the County Building and Grounds Director.
- 2.10 Computer Purchasing: All computer equipment/capital improvement items shall be requested by Elected/Appointed Officials as part of the annual budgeting process. Departments purchasing computer equipment need to contact the Director of Information Systems to ensure proper bidding procedures are met and to schedule setup and installation.
- The Director of Information Systems will annually submit a brand list for computers and printers for bidding purposes. The County reserves the right to determine brand names, select types of equipment and installation vendors.
- 2.11 Public Acts 167 & 168 of 1993: The County shall comply with Public Acts 167 and 168 of 1993 regarding use of closed sealed bids for purchases of \$20,000 or more. (See County Board action of January 11, 1994).

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2.12 Recordkeeping: Records should be maintained of bids received for documentation purposes. Whenever possible, a file will be maintained of bid specifications for various items in order to assist in future purchases of like items.

2.13 Bid Submittal Deadline: Bids received after stated deadlines will not be considered.

2.14 Requirements for Bid Dollar Ranges: The following purchasing or leasing procedures are required to be conducted depending on the estimated cost of the item when purchased or the total asset value of the lease.

A. Up to \$1,999

Departments are encouraged to conduct pricing comparison by telephone, fax, and other methods. Written specifications for this dollar range are not required.

Newspaper advertisements are not required for items in this dollar range.

No County Board of Commissioners action is required for items in this category other than auditing of monthly claims.

B. \$2,000 - \$9,999

Whenever possible, departments are required to obtain at least three (3) written bids. Each bid should be kept on file.

Newspaper advertisements are not required for items in this dollar range.

Departments are required to provide written specifications according to Section 2.5 of this Policy.

No County Board of Commissioners action is required for items in this category other than auditing of monthly claims.

C. \$10,001 - \$19,999

Whenever possible, departments are required to obtain at least three (3) written bids. Each bid should be kept on file.

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Departments are required to provide written specifications according to Section 2.5 of this Policy.

Notification of bid specification availability must be advertised at least one time in the Tuscola County Advertiser. (For certain projects, advertising in additional newspapers may be conducted). (If certain brands of computers or other equipment are specified and if it is known that said brands are not available in Tuscola County, then newspaper advertising is not required).

All bids are to be submitted to the Full Board for bid award.

D. \$20,000 and More

Whenever possible, departments are required to obtain at least three (3) closed sealed bids. Each bid should be kept on file.

Departments are required to provide written specifications according to Section 2.5 of this Policy.

Notification of bid specification availability must be advertised at least one time in the Tuscola County Advertiser. (For certain projects, advertising in additional newspapers may be conducted). (If certain brands of computer or other equipment are specified and if it is known that said brands are not available in Tuscola County, then newspaper advertising is not required).

All bids are to be submitted to the Full Board of Commissioners for opening and bid award.

Because bids in this category have to be closed sealed bids, faxed bids will not be accepted.

2.15Disclaimer: Tuscola County reserves the right to reject any and all bids and choose the bid that is in the best interests of the County. Any vendor or parties who bid under this Policy are doing so of their own free will and without liability to the County

A bid may be awarded to a higher bidder for reasons such as, but not limited to: quality, service, reliability, convenience, dependability, etc.

2.16NACO Purchasing: If in his or her discretion, the Tuscola County Controller can obtain goods at a lower price through participation in the

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National Association of Counties' ("NACO") purchasing program, the Tuscola County Controller may purchase goods pursuant to that program. The Controller is also authorized to execute any agreements or forms necessary to facilitate the County's participation in the NACO purchasing program, provided such participation does not obligate the County to purchase goods exclusively through that program for any length of time beyond the immediate transaction involved and the particular purchase is within appropriations adopted in the County's General Appropriations Act or other conditions imposed upon the Controller by the Board.

- 2.17 State Bidding Requirement - \$20,000 or More: See attached resolution regarding honoring State of Michigan requirement to bid projects of \$20,000 or more.