



**KING GEORGE COUNTY
PURCHASING MANUAL
(March 2023)**

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1.0 INTRODUCTION

This manual is a guide to the County's procurement regulations, policies and procedures. If you have any questions that are not answered by this manual, or need further clarification, please contact:

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2.0 MISSION

Procure quality goods and services that meet the County's, Service Authority's and Schools' needs, while ensuring maximum competition, maintaining a reputation for fairness and integrity, and obtaining the maximum benefit and revenue from the disposal of surplus, damaged, or obsolete materials and equipment.

3.0 FUNDAMENTAL PURCHASING PRINCIPLES

The fundamental principles for competitive procurement are set out in §2.2-4300(C) of the Virginia Public Procurement Act (VPPA), Code of Virginia, 1950 as amended, which promotes that:

To the end that public bodies in the Commonwealth obtain high quality goods and services at a reasonable cost;

All procurement procedures be conducted;

- **In a fair and impartial manner; and**
- **With the avoidance of any impropriety or the appearance of impropriety;**

All qualified vendors have access to public business;

No Offeror be arbitrarily or capriciously excluded;

Competition be sought to the maximum feasible degree;

Rules governing contract awards be made clear in advance of the competition;

Procurement procedures involve openness and administrative efficiency;

Specifications reflect the procurement needs of the County rather than being drawn to favor a particular vendor; and

The County and vendors freely exchange information concerning what is sought to be procured and what is offered.

4.0 METHODS OF PROCUREMENT

For purposes of this Manual, and in accordance with the King George County

Purchasing Ordinance, there are five (5) methods of procurement:

- Small Dollar
- Sole Source
- Emergency
- Cooperative Contracts
- Competitive Bid/Competitive Negotiation

5.0 **PURCHASING POLICY**

The King George County Purchasing Ordinance applies, in its entirety, to all public bodies in the County that are funded in whole or in part by the County including, but not limited to, King George County Departments, Authorities, Volunteer Fire/Rescue, Social Services, Smoot Memorial Library, and King George County Schools.

The Purchasing Ordinance and policies/regulations of King George County are in conformance with the Virginia Public Procurement Act (VPPA).

Procedures Interpretation: Interpretation of these procedures shall be the sole discretion and responsibility of the Procurement Manager.

5.1 **Purchasing Thresholds**

Small Dollar Purchases are purchases **under \$50,000** (total order cost, including shipping and handling). **Major Acquisitions** are purchases of **\$50,000 and greater**, and must be purchased using a formal bidding or formal competitive negotiation process which is administrated by Purchasing and awarded by the appropriate Board. The formal bidding or formal competitive negotiation process administered by other public entities or through cooperative purchasing agencies and any resulting contracts may be used. Due diligence is required to ensure that the best price point is achieved through cooperative contracts.

All purchases of \$5,000 and greater require a Purchase Order issued by the County Purchasing Department (herein referred to simply as "Purchasing").

6.0 **PUCHASING PROCEDURES**

6.1 **Small Purchases**

The purchase of goods/services totaling less than \$50,000.

Small dollar purchases are further divided into three spending thresholds, each progressive threshold requiring a higher level of administrative attention. Prior to any purchase, regardless of cost, adequate funds must be available.

Spending thresholds apply to the entire purchase, including shipping & handling, not the individual item price.

Orders/Requirements may not be artificially divided (split orders) to constitute a small purchase and/or circumvent Purchasing Policy .

Purchases up to \$49,999 made using the Quote process do not require public advertising or posting. Using Departments are responsible for obtaining quotes, and submitting them with a Purchase Requisition to Purchasing.

King George County does not maintain a bidders or preferred vendors list. It is up to the individual department to use the resources available (telephone book, internet, knowledge of qualified vendors, Purchasing staff, etc.) when deciding what suppliers to contact, and requesting quotes. Purchasing will provide assistance with product/vendor research upon request.

Small Purchase Thresholds and Requirements:

For purchases less than \$5,000 (including shipping and handling), prices are to be compared by telephone, catalogue, internet, etc. No permanent documentation of price comparison is required.

For purchases of \$5,000 up to \$14,999 (including shipping and handling), websites, catalogs, and/or telephone/verbal quotes from at least two (2) suppliers of the goods/services are required. Quotes are to be recorded on the Quote Documentation Summary Form (Attachment A) showing the item requested, quantity, date and time of quote, company name, unit price, total price, delivery timeframe, shipping charges, and individual making quote. The completed Quote Documentation/Summary Form must be submitted with the Purchase Requisition. **Orders may NOT be placed prior to a County Purchase Order being issued by Purchasing. Purchasing will place all orders unless instructed otherwise on the Purchase Requisition .**

For purchases of \$15,000 up to \$49,999 including shipping & handling)

written quotes, from a minimum of three (3) suppliers, are required. Catalog and website quotations are considered written quotes and may be used. All quotes must be documented on the Quote Documentation/Summary Form (Attachment A). **Orders may NOT be placed prior to a County Purchase Order being issued.**

All documentation (original written quotes and Quote Documentation Summary Form) must be attached to the Purchase Requisition (Attachment B) and forwarded to the Purchasing office for review and processing. These records will be kept on file with the Purchase Order record (in Purchasing) to certify that procurement procedures have been followed.

Quotes are not required when goods/services are purchased using an approved cooperative contract (State Contract, GSA, or other Local or National governmental contract) . See Section 6.6.

6.2 Obtaining Quotes

Only obtain quotes from qualified suppliers (vendors who sell the goods/services needed).

Quotes may be obtained by phone, fax, email, internet, catalog, or sale advertisement.

Always give clear and detailed specifications/requirements. It is important that all vendors have sufficient details, and identical, information to accurately quote the goods/services requested.

Always require the vendor to provide a delivery promise (number of days/weeks after receipt of order) on their quote. Include this delivery commitment on your Purchase Requisition, it will be printed on the Purchase Order.

Always give vendors a date and time when quotes are due. Each vendor must be given the same due date and time. Quotes received after the deadline shall be rejected, and eliminated from consideration.

Evaluate all quotes received fairly and objectively, using an “apples-to-apples” comparison.

State Law mandates that awards be made to the low cost responsive and responsible vendor who meets the specification(s) (includes delivery requirements).

All information pertaining to a vendor's quote must remain confidential until Purchasing has approved the recommended award.

Under no circumstances may information about a vendor's quote be shared with any other vendor as a method of getting matching or lower quotes. This practice is called Auctioneering, and is an ethics violation and strictly prohibited in government purchasing.

Only after Purchasing has approved the recommended award, and issued a Purchase Order, may any information about the quotes received be shared with vendors and/or the public.

All quotes, after award, are public information and may be distributed upon request. Requests for Information from vendors and the public may be verbal or written, and requests do not have to reference the Freedom of Information Act (FOIA) to be honored. If you have questions about FOIA, or a request for information that is not readily available, contact the Purchasing office.

6.3 **Inspection Of Goods**

All orders must be thoroughly inspected/tested within seven (7) calendar days of receipt. If goods are not inspected/tested within this time period and a problem (damaged in shipping, or a latent defect) is found later, the vendor may refuse to remedy the situation, referring you to the manufacturer. As consumers, we are obligated to inspect all deliveries in a timely manner if we are to expect any necessary corrective action on the part of the vendor/supplier.

Contact Purchasing immediately if your purchase is incomplete, damaged, or is not delivered when promised. Purchasing will negotiate an acceptable resolution with the vendor.

6.4 **Sole Source Purchases**

Sometimes only one source is available to meet a requirement, thus competition is not possible or practicable. This is often the case in terms of software upgrades, proprietary equipment parts, or manufacturer distribution territories, etc. A Sole Source letter (justification) from the vendor must be obtained, and attached to the Purchase Requisition to justify the sole source purchase.

All sole source justifications will be reviewed and verified by Purchasing prior to a Purchase Order being created, and an order placed.

All Sole Source purchases of \$50,000 and greater require the appropriate Board's approval prior to contract award.

- Single Source: Only source among others that, for justifiable reason(s), is found to be most advantageous for the purpose of contract award.

6.5 **Emergency Purchases**

A true emergency exists when, as defined by law, circumstances or situations beyond anyone's control could adversely affect the health, life, safety of the public, staff, students, or could vitally affect property and/or equipment if not corrected immediately.

Emergency procurements are permitted under policy/law to be addressed without competition when competitive methods will not facilitate a timely correction of the situation.

In the event of a qualified emergency, a contract may be awarded without Quotes, Competitive Sealed Bidding, or Competitive Negotiation, but the emergency and all purchases must be thoroughly documented. If time allows, and it is practicable to do so, Purchasing will pursue competition.

6.5.1 **Procedure**

County/Service Authority: If an emergency occurs during regular business hours, the involved department shall immediately notify Purchasing who will either purchase the required goods/services, or authorize the department to do so. A written explanation of the circumstances of the emergency on an Emergency Purchase Verification - ATTACHMENT F, signed by the County Administrator or Service Authority General Manager, shall be filed, within two (2) business days, with Purchasing. Emergency justifications must be signed by the County Administrator or Service Authority General Manager.

If an emergency occurs outside of regular business hours, the involved department may purchase the required goods/services without contacting Purchasing, and without price competition. The department shall, however, whenever practicable secure competitive telephone quotes and delivery commitments and award to the low cost provider that meets both the product/service & delivery requirements.

The department shall, within two (2) business days, submit to Purchasing a tabulation of the goods/services purchased, quotes received - if any, a copy of the delivery record, and a written explanation of the circumstances of the emergency on an Emergency Purchase Verification - ATTACHMENT F, signed by the County Administrator or Service Authority General Manager.

Schools: All qualified emergency conditions shall be addressed quickly without prior County approval. The affected department shall, within two (2) business days, submit to County Purchasing a tabulation of the goods/services purchased, quotes received - if any, a copy of the delivery record, and a written explanation of the circumstances of the emergency on an Emergency Purchase Verification - ATTACHMENT F, signed by the Superintendent. County Purchasing will assist when requested.

6.6 **Use Of State, Local, GSA, & National Contracts (aka Cooperative Contracts)**

Competition is not required when goods/services are purchased using (riding) other governmental agency contracts that permit their use by other public bodies (cooperative contracts), regardless of cost. *All purchases of \$50,000 or greater require Purchasing's review and the appropriate Board's approval prior to an order being placed. When using a cooperative contract, additional quotes/competition are not required, saving staff time and taking advantage of volume discounts.

When using a cooperative contract, the contract type, number, and originating entity/district MUST be written on the Purchase Requisition (ex. VA State Contract # 0000, Prince William County Public Schools Contract # 000.) Purchasing will verify each contract reference prior to Purchase Order issuance.

The Purchasing Department has access to cooperative contract information through a variety of data bases and networks. Please feel free to ask for assistance locating and/or using cooperative contracts.

6.7 **Term Contracts**

In many operations there are continued replenishments of inventoried supply items, or the continued use of service suppliers, in the conduct of daily business. These types of needs may include food service items, on-call maintenance contractors, general hardware items, custodial supplies, etc. It is unreasonable to constantly conduct price comparisons between vendors for these daily needs. The repeated change of

vendors itself can disrupt daily operations.

For these types of purchases, a Term Contract is established through a Competitive Bid or Negotiation process for a specified period of time. The Competitive Bid/Negotiation process is usually characterized by an estimated or definite minimum quantity to be ordered during the contract time, with the possibility of additional quantities beyond the estimated minimum.

Term Contracts are established for a specified period of time, usually 12 months with the option for 1-4 additional 12-month renewals/extensions. (Extensions at the County/Schools discretion with the vendor's consent.)

6.8 **Exemptions**

Certain purchase categories, due to the inability to perform price comparisons, are exempt from the competition protocol; however, they are not exempt from the Purchase Order protocol. These purchases include:

Utility Services - Services from regulated carriers that have been established by regulatory authorities as monopolies to provide services. They include, telephone service, electricity, water, sewer, etc.

Travel - Travel advances, travel expenses, or travel reimbursements

Dues - Membership Dues

Public Library Books - Public library books and other library items for circulation to, or use by, the general public. (**not applicable to school libraries**)

Advertising - Advertising and legal notices.

Subscriptions - Newspapers, Periodicals (directly from publisher), Software License Renewals,

Subscription Renewal Services - Applicable to Schools and County.

Maintenance Agreement Renewals

Registration - Seminars, Training Sessions, etc.

On-site Lodging in connection with an authorized event (Seminar,

conference, training, etc.)

Speakers/Instructors

Reimbursements

Textbooks - Only applies to textbooks purchased from Virginia DOE approved publishers, and only those titles approved by Virginia DOE and formally adopted by the School Board. Supplementary textbooks (those not formally adopted by the School Board) must be obtained utilizing the small purchase procedures.

7.0 SPLIT ORDERS

Artificially dividing/splitting orders to constitute a Small Dollar purchase, or circumvent purchasing policy/procedures is a violation of Procurement Policy and is strictly prohibited.

8.0 PURCHASE ORDER PROCEDURES

All expenditures of \$5,000 and greater (including shipping & handling) require the use of a King George County Purchase Order (PO).

A King George County Purchase Order is a legal, contractual document, and may only be prepared and issued by County Purchasing.

8.1 Prepare and submit a Purchase Requisition (Attachment B) to Purchasing.

8.2 The following information is required on the Requisition:
Vendor Name, Vendor phone, fax, and email address, County Vendor Number, Account Number to be charged (General Ledger Number), Ship-to Address & Recipient's Name, Delivery Instructions (hours for delivery, inside delivery, loading dock, delivery truck requires lift-gate, required delivery date, etc.) a Detailed Product/Service Description, (include color, size, package size, brand name/part # if applicable, shipping & handling fees, etc.), Quantity, Unit Price, and Total Cost.

If several items are being purchased on the same requisition, but will be charged to different accounts, the general ledger number for each item must be noted beneath the appropriate description.

The Department Head/Principal must sign and date all Requisitions before they can be processed by Purchasing. By signing the Requisition, the Department Head/Principal certifies the purchase is approved and funding is available. Unsigned Requisitions will be returned to the originator unprocessed.

- 8.3 Clear instruction on how the PO is to be processed should be noted on the requisition (Special Instructions section). Does the originator want the order placed by Purchasing or does the originator want the PO returned to them for distribution? Does the Vendor accept electronic orders, or should the order be faxed to the vendor? A copy of the processed PO will always be returned, electronically, to the originator.

8.4 Submitting Requisition to Purchasing

All supporting documentation (Quote Documentation/Summary Form, written quotes, Sole Source letter - if applicable) must be attached and submitted with the Requisition (Incomplete Requisitions will be placed on hold and the originator notified).

- 8.4.1 Vendor Information Form and W9 must be submitted with the Requisition for all **new** vendors (See Vendor Number Request Process - Section 10.1).

The originator should make a copy of the signed Requisition for his/her records prior to submitting the original to Purchasing.

- 8.5 Requisitions can be tracked on the County's Sharepoint - King George County Intranet > Forms > Purchasing Forms and Information - Public > Purchase Orders > Purchase Requisition Tracking Log.
- 8.6 All processed and issued POs are electronically filed on the County's Sharepoint - King George County Intranet > Forms > Purchasing Forms and Information - Public > Purchase Orders.

* Utilities, and other similar monthly O&M expenditures that have a dedicated General Ledger/Budget Account number, (ex. Telephone, Fuel) do not require an annual Blanket Purchase Order. Other O&M expenditures (maintenance/custodial supplies, etc.) require competitive pricing be sought, and a Blanket Purchase Order be established to ensure adequate funds are allocated/reserved for these repeat expenses, and annual expenditures for those categories are easily monitored.

8.7 Purchase Order Close/Liquidation

PO's will be closed, by Accounts Payable, during the final payment process. Open PO's, with fund balances, will be liquidated by written request only (email request acceptable to purchasing.)

8.8 **INCOMPLETE SUBMISSIONS**

Incomplete submissions (to include, but not limited to: Requisitions, and Vendor Number Requests) may be returned to the originator unprocessed. Originator will be notified by email of the discrepancy. Once corrective/additional information is received, processing will continue.

9.0 CHANGE ORDERS

A Purchase Order Modification (Change Order) Form (Attachment C) must be submitted to Purchasing if there is a need to modify the original Purchase Order requirements. Changes may include, but not be limited to, quantity increase/decrease, product substitution, price, scope of work, or delivery. Modifications can not be authorized until a Change Order has been processed by Purchasing.

10.0 NEW VENDOR

If the vendor to be used does not have a County Issued Vendor Number, a completed New Vendor Set-Up Request (ATTACHMENT D) must be submitted to Purchasing at the time of Requisition submittal. A copy of the vendor's W9 **MUST** accompany the New Vendor Set-Up Request. An IRS Form W9 is required by law to be on file in Finance for **ALL** vendors with whom business is transacted.

- Complete New Vendor Set-Up Request (Attachment D) and submit, with W9 to Purchasing. Vendor information and W9 may be obtained by contacting the Vendor.

10.1 New Vendor Set-Up Request Form

This form collects all the information necessary to establish a vendor in the County's accounting system.

Section I: This section provides contact information for any questions Purchasing may have.

Section II: This section provides remittance information listing the name, address and phone numbers of the vendor receiving payment. Please ensure an e-mail address is obtained if at all possible.

Section III: This section is completed **only** if the purchase order is sent to a location that is different from the remittance address (see Section II). This information is very important.

Section IV: This section includes the Business Designation, and either the firm's federal identification number or an individual's social security number. The Business Designation section is used to determine 1099 tax status for

each vendor and ensures the County is in compliance with IRS tax regulations. Please ensure all parts of this section are correctly marked.

Section V: This section is for Purchasing to complete, showing the vendor number and set up date.

Note: All information must be completed, and W9 attached, in order for a vendor number to be assigned.

Purchasing will enter the information into the Bright system and file the W9. The originator will be notified by email of the new vendor number.

11.0 PURCHASES OF \$50,000 OR GREATER

As per County Purchasing Ordinance, purchases of goods/services of \$50,000 and greater (one-time purchase, or estimated annual expenditure for that good/service) must be obtained through the formal procurement process (Invitation for Bid/Request for Proposal). These purchases must be administered by the Procurement Manager.

Departments/Schools/Agencies shall complete a Purchasing Services Request (Attachment E) and prepare a Specification/Scope of Work for submission to the Procurement Manager for solicitation development and issuance.

The following information must be provided when submitting the Purchasing Services Request, and Specification/Scope of Work:

Intent - Give a brief description of the product/service required, and its intended use.

Account(s) to be charged (General Ledger Number) - Adequate funds must be available to cover the product/service requested prior to a solicitation being developed. If funds require the Board of Supervisors appropriation or, internal transfer, all fund appropriations/transfers must be made prior to a solicitation issuance. If extenuating circumstances prohibit the proper allocation of funds, (awaiting Board of Supervisor's appropriation, etc.) a memo or email detailing the circumstances must be submitted by the Department/Agency Head with the request. A solicitation will not be issued in the absence of adequate/identified funds.

Completion/ Need-By Date - A realistic date for product delivery/work is to begin and end must be established so Purchasing may ensure that solicitation issuance, receipt, and delivery/work commencement meet your required timeline, and the Bidder/Offeror knows what the delivery/completion expectation is.

Pre-Bid/Proposal Meeting - Is a Pre-Bid/Proposal Meeting to allow prospective Vendors/Offerors an opportunity to obtain more information and/or conduct site visits before bids/proposals are due for submission necessary/requested? If so,

this need must be noted on your request.

Specifications - Detailed, concise, description of product/service requested. The Procurement Manager will assist with specification development as needed.

Evaluation Committee - For the RFP process, a committee is formed to evaluate the proposals received. These panel members should be identified before the solicitation is posted. All staff engaging in the procurements of the County are required to comply with procurement ethics. See Section 20.0 for more information on ethics in procurement.

12.0 FORMAL PROCUREMENT CYCLE:

Once a solicitation is prepared and issued, any communication between potential Bidders/Offerors and anyone other than Purchasing office staff is strictly prohibited. All communications pertaining to the solicitation (technical or procedural) must pass through Purchasing. All Vendor/Offeror questions will be forwarded to the requestor and formally responded to by an Addendum signed and issued by Purchasing staff. This ensures that all prospective Bidders/Offerors have fair and equal access to all relevant information and there is no appearance of impropriety.

All bids/proposals are due no later than the date and time published in the solicitation. Late bids cannot, and will not, be accepted (per State law).

Bid Openings are open to the public. Bids are made available for public review immediately after the bid opening process has been completed, and a tabulation of bids received will be posted on the County's web site.

No information pertaining to a Request for Proposal (including, but not limited to: questions received, responding Offerors, evaluation, negotiation, and contract development) shall be made available as public information until **after a formal award** by the appropriate Board has been made in a regularly scheduled public meeting.

An Award recommendation will be submitted to the County Administrator/General Manager/Superintendent and included on the next appropriate Board's public meeting agenda. Once the appropriate Board has approved the award recommendation, a formal Agreement or Purchase Order will be prepared by Purchasing.

13.0 COMPETITIVE SEALED BIDS

Purchasing solicits competitive sealed bids (formal sealed bids) for goods and/or services with a dollar value of \$50,000 or more. Formal sealed bids are solicited using a written Invitation for Bid (IFB).

A notice of the Invitation for Bid is posted on the King George County web site, eVA, and the public bulletin board (1st floor - County Administration Building), at least ten (10) calendar days prior to the bid closing date. At the Purchasing's discretion, an advertisement may also be published in a newspaper of general circulation

Vendors must deliver their bids to the County Finance Department/Purchasing. All bids must be received by the closing date and time stated in the Invitation for Bid. Bids will not be accepted at any other location. Bids received after the closing date and time will not be considered and will be returned to the bidder unopened.

Envelopes/packages containing bids must be opaque, sealed and clearly state on the outside of the envelope/package the company/individual's name, solicitation number, and closing date and time.

After the deadline for submission of bids has passed, the Procurement Manager, or his/her designee, will open, announce, and record the bids in a public setting. No decision of award will be made during the bid opening.

Bid Tabulations will be posted on eVA within 2 business days of the Bid Opening.

An award announcement will be posted on eVA and the public notice bulletin board in the County Administration building for no less than ten (10) days post official award.

Purchasing will recommend an award to the requestor. With requestor's approval, the award recommendation will be forwarded to the appropriate Board for approval/award. State law requires all public entities to award to the low bid that meets specification.

An award announcement will be posted on eVA and the public notice bulletin board in the County Administration building for no less than ten (10) days post official award.

14.0 COMPETITIVE NEGOTIATIONS

Services procured through competitive negotiations (Request For Proposals - RFP) fall into two (2) categories: (1) **Professional Services** and (2) **Other Than Professional Service (which includes specialized equipment)** .

- **Professional Services:** Professional services shall be procured through competitive negotiations. Professional services, as defined by law, include work performed by an independent contractor within the scope of the practice

of accounting, actuarial services, architecture, land surveying, landscape architecture, law, dentistry, medicine, optometry, pharmacy or professional engineering.

- **Other Than Professional Services:** Non-Professional Services (any service not covered by the definition of Professional Services above) insurance, and specialized equipment (custom vehicles, etc.) may be procured by competitive negotiations.

Proposals - All proposals must be received by Purchasing by or before the published deadline. Envelopes/packages containing proposals must be sealed and clearly state on the outside of the envelope/package the company name, RFP number, and closing date and time. Late proposals will not be accepted.

After the submission deadline, the Procurement Manager, or his/her designee, will open the submissions. The names of firms submitting proposals shall **not** be read aloud.

NOTE: Information about the number of proposals received, who they are from, proposal content, evaluations, rankings, interviews and recommended award are **not** made available as Public Information until **after** a formal award announcement has been made.

An evaluation matrix (based on evaluation criteria in the published solicitation), and evaluator instructions will be prepared by Purchasing, and distributed to the Evaluation Committee members. Evaluation Committees are established by the requestor, or other official of staff.

One (1) copy of each proposal (one marked "original") will be retained by Purchasing for the official procurement file.

Proposals received and distributed will be reviewed, scored and ranked by the Evaluation Committee members individually. The Committee will meet to discuss the proposals, and determine which Offerors will be interviewed. Competitive negotiations may then be conducted with the firm(s) that submitted the most acceptable proposal(s).

Price is not the sole determining factor in selecting the successful Offeror. Other criteria (such as Offeror's experience, capability and skills, and actual services to be provided) are evaluated. A contract will be awarded to the Offeror, who in the Committee and appropriate Board's opinion, submitted the best proposal.

Once a final award has been recommended by the Committee and approved by the appropriate Board, a Purchase Requisition must be submitted to

Purchasing for Purchase Order preparation. A formal Agreement (contract) will be prepared by Purchasing for Legal review and signatures. No order can be placed, or work begin, until an Agreement has been fully executed, and a Purchase Order issued.

15.0 TYPES OF CONTRACTS:

- 15.1 **Purchase Order** is the simplest contract form and is initiated by the end user and issued by Purchasing.
- 15.2 **Standard County Agreement (aka Contract)** is prepared by Purchasing and consolidates all of the terms and conditions of the solicitation into a formal contract document. The draft Agreement is reviewed and approved by the using Department before being reviewed and approved by the County Attorney for legal sufficiency. The final Agreement is signed by both the County Administrator/Service Authority General Manager/Schools Superintendent and the successful vendor.
- 15.3 **Contractor's Standard Contract** Is a contract prepared and presented by the selected vendor. If a vendor's contract is submitted to you for signature, do not sign it and notify Purchasing. Use of vendor's contract is not ordinarily authorized by Purchasing and the County Attorney, except in the event of a qualifying emergency. Purchasing will work with you and the vendor to develop a County Standard Agreement that is acceptable to both the County and the vendor.

16.0 AUTHORIZED SIGNATURES

Using Departments **are not authorized** to sign contracts unless specifically granted such authority, in writing, by the County Administrator/Service Authority General Manager/Superintendent of Schools.

Under no conditions, except in the event of a qualifying emergency, should a vendor's contract/Agreement/Credit Application be signed.

All such documents shall be forwarded to the Procurement Manager for review and action.

16.1 Signature Expenditure Authority

Signature authority limits are defined as follows:

Board of Supervisors: All contract awards for goods, services, real estate, etc. of \$50,000 and greater must be approved by the Board of Supervisors at a regularly scheduled public meeting.

Service Authority Board of Directors: All contract awards for goods, services, real estate, etc. of \$50,000.00 and greater must be approved by the Board of Directors at a regularly scheduled public meeting.

County Administrator: All contract awards for goods and services up to \$50,000.

Service Authority General Manager: All contract awards for goods and services up to \$50,000.00

Department Director: All contract awards for goods and services up to \$5,000.

Department Director Designees: Signature Authority granted at the Department Director's discretion not to exceed \$2,500.00

All expenditures of King George County funds shall be made in accordance with the King George County Purchasing Ordinance.

17.0 UNAUTHORIED PURCHASES

Unauthorized purchases are defined as those purchases that are made without following the purchasing policy.

Below are the steps that will be taken by the Procurement Manager in the event of an unauthorized purchase.

- 17.1 **First Infraction** - Letter to individual user requesting written justification 1) Why policy was not followed, and 2. Acknowledgement of the procedural mistake.

A copy of the letter is sent to the immediate supervisor and the Department Director.

- 17.2 **Second Infraction** - Letter to individual user requiring attendance at a one-on-one Purchasing User Training with a copy of letter going to immediate supervisor and Department Director. If individual refuses to attend user training, suspend purchasing authority and notify immediate supervisor and Department Director.

- 17.3 **Third Infraction** - Revoke purchasing authority of individual. Notify immediate supervisor, Department Director and Director of Human Resources of continuous failure to comply and request that duty be reassigned.

- 17.4 **Reinstatement** - Reinstatement of purchasing authority may be requested by the Department Director 30 days after receipt of the revocation notice provided training is completed.
- 17.5 **Fraud** - A fraudulent purchase made by an employee will result in an immediate revocation of the employee's purchasing authority and be reported, in writing, to the Director of Finance, Director of Human Resources and the County Administrator for possible further disciplinary action.

18.0 SURPLUS

All County/Service Authority/Schools property including, but not limited to, materials, supplies, equipment, furniture, and vehicles that are no longer of value or use to operation are considered "Surplus". Materials, supplies, equipment, furniture, and vehicles that still have value and can be used by the County are considered "Excess". Purchasing is responsible for the disposition of all County Surplus and Excess.

18.1 Surplus/Excess Property Procedures:

Departments/Entities shall notify Purchasing (by memo or email) of surplus/excess property. Notification shall contain, at a minimum, the following information:

- **Vehicles**: Year, Make, Model, Mileage, Color, Condition, Location. Does the vehicle run? List all known mechanical problems and any interior and exterior damage. Are there decals/markings to be removed? (Sheriff/EMS/County decals).

Specialty Vehicles: Fire/EMS/Sheriff/etc. Provide clear digital photos to include a minimum of: 1 of each viewable side, close up of any identifying marks (name plate, model, serial number, damage, etc.), tires/tire tread, interior from each door, inside each door, dash, each interior and exterior compartment (opened), all control panels, any equipment (fixed and/or removable). Additional photos may be requested by Purchasing.

- **All Other Items**: Provide a complete description of the Surplus/Excess including: Item Type, Brand Name, Model Number, Serial Number, Size, Color, Condition, Quantity, Location. Provide clear digital photos. Photos to include a minimum of: 1 of each viewable side, close up of any identifying marks (name plate, model, serial number, damage, etc.)

Purchasing will determine which disposition method is most appropriate to maximize reutilization or resale value of the excess/surplus.

18.2 Methods of Disposal:

Transfer within County/Entity: The County encourages maximum re-use of Surplus/Excess whenever possible.

Purchasing will notify all County departments/entities (via email) of useable excess/surplus items as they become available. Departments/agencies will have five (5) business days, from the date of notification, to claim any excess/surplus items before they are listed for public sale. Re-utilization of excess/surplus property is encouraged.

Transfer or Sale to Other Public Bodies: Surplus equipment/materials, not re-utilized within the County/Schools, may be advertised, transferred, or sold to other public bodies within Virginia in lieu of/prior to public sale (fire trucks, ambulances, specialty vehicles, law enforcement equipment, etc). Provide Purchasing the contact name and phone number/email of any known interested parties. Purchasing will coordinate all public body transfers.

Public Sale: Unclaimed property of value will be advertised on a government surplus on-line auction site for sale to the general public.

Not for Public Sale: For items which should not, by law or in the interest of public safety, be made available for general public sale (firearms, ammunition, etc) submit a written justification detailing the items to be sold/disposed of, the reason they are to be withheld from the general public, and identify to whom the items may be sold (ex: Licensed Gun Dealers only, etc.)

Disposal by Landfill : Surplus that has no reuse, transfer, resale, recycling value, or is unsold, may be disposed of through the use of the landfill. A written Disposal Determination listing the items and signed by the County Administrator, shall be kept on file in Purchasing for five (5) years from the date of disposal.

Recycling : Surplus that has no reuse, transfer, resale value, is unsuited for public sale (valves, couplings, hydrants, etc.) or unsold, may be disposed of through use of a recycling center or salvage yard that is within a reasonable distance to King George County. A written Disposal Determination, signed by the County Administrator, shall be kept on file in Purchasing for five (5) years from the date of disposal.

18.3 Purchases by County Employees and Their Families :

Per County Purchasing Ordinance Sec. 2-25(b)(2). Disposal of surplus property: County employees are not eligible to buy surplus county personal property that is disposed of in accordance with this section, unless such property is disposed of by public auction.

19.0 eVA

Virginia State has a powerful electronic procurement tool (eVA) that is available to localities free of charge. Using this tool eliminates the need to manually obtain quotes, assists with vendor research, broadens the advertising base, assists in meeting quote reporting requirements, and ordinarily finds the best possible price for the goods/services needed. Occasionally a vendor will offer a particular product at a “sale” price that is less than what eVA finds. This is a rare occurrence.

eVA has over 96,000 registered vendors, offering every product/service imaginable, ready to quote on State & Local requirements.

Contact Purchasing for eVA access and training.

20.0 ETHICS IN PROCUREMENT

All purchases made with taxpayer’s funds, regardless of size, are subject to scrutiny and question by the public and media. It is **imperative** that all public purchases are made in the fairest and most ethical manner possible, without impropriety or the appearance of impropriety.

Litmus Test: If your purchase and/or methods of purchase could cause you and/or your family embarrassment if it were detailed on the front page of the local newspaper, the Free Lance Star, or the radio and/or television, then you should reconsider the purchase/method of purchase. Consult the Procurement Manager if you have any questions, or a procurement related dilemma.

By making a purchase with public funds, the purchaser certifies that the purchase is made without collusion or fraud and they have not been offered or received any kickbacks or inducements from the selected supplier, manufacturer or subcontractor in connection with the purchase.

The ethical responsibility of County/Schools/Authority employees and agents,

having official responsibility for a procurement transaction are set out in VPPA, §2.2-4367, et seq, Ethics in Public Contracting.

In summary, no County/Schools/Authority employee or agent having official responsibility for a procurement transaction shall participate in that transaction on behalf of the County/Schools/Authority when the employee knows that:

- 20.1 The employee is contemporaneously employed by a bidder, Offeror or contractor involved in the procurement transaction;
- 20.2 The employee, the employee's partner, or any member of the employee's immediate family holds a position with a bidder, Offeror or contractor such as an officer, director, trustee, partner or the like, or is employed in a capacity involving personal and substantial participation in the procurement transaction, or owns or controls an interest of more than five percent (5%);
- 20.3 The employee, the employee's partner, or any member of the employee's immediate family has a pecuniary interest arising from the procurement transaction; or
- 20.4 The employee, the employee's partner, or any member of the employee's immediate family is in negotiation, or has an arrangement concerning, prospective employment with a bidder, Offeror or contractor. (VPPA, §2.2-4369).

In addition to the VPPA, the Ethics in Public Contracting, employees of the Purchasing Division are held strictly to the high ethical standards of the National Institute of Governmental Purchasing, Inc. (NIGP) Code of Ethics.

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20.5 **Gift Policy**

The Code of Virginia (2.2-4371) states: "No public employee having official responsibility for a procurement transaction shall solicit, demand, accept, or agree to accept from a Bidder, Offeror, contractor or subcontractor any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal or minimal value, present or promised, unless consideration of substantially equal or greater value is exchanged."

Nominal value shall mean a fair market value of \$7.00 or less, except that consumable items under \$25.00 in value offered to all participants or members at a professional association or organization meeting shall be considered as nominal.

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GLOSSARY PURCHASING TERMS

Best Value: The overall combination of quality, price, and various elements of required materials and/or services that are optimal relative to a public body's needs.

Bidder: an individual or firm submitting a bid in response to an **Invitation for Bids**.

Bid Opening: The formal process in which sealed bids are opened, usually in the presence of one or more witnesses, at the time and place specified in the **Invitation for Bids**. The amount of each bid is announced and recorded, and bids are made available for public inspection. Bid openings are open to the public.

Bid Tabulation: A public document listing all vendors who submitted a bid in response to a solicitation, and the prices bid for each item/service.

Blanket Purchase Order: A contract where the vendor agrees to supply goods/services on an as-needed basis for a specified period of time.

Brand Name or Equal Specification: Using one or more manufacturer's brand names, with identifying model numbers, to describe the acceptable items; all other items will be excluded.

Brand name specification: Using one or more manufacturer's brand names, with identifying model numbers, to describe the standards of quality, performance, and other characteristics needed to meet the requirements of a solicitation

Change Order: A written alteration to a contract or **Purchase Order** .

Competitive Negotiations: A method of procurement that uses discussions and negotiations with responsible **Offerors** who submit proposals in response to a **Request for Proposals** . Awards are based on subjective evaluation criteria, not price alone.

Competitive Sealed Bidding: Preferred method for acquiring goods, services, and construction. The award is made to the lowest **Responsive and Responsible Bidder** based solely on the criteria set forth in the **Invitation For Bids** and does not include discussions of negotiations with the **Bidders**

Confidential Information: Any information which is available to an employee only because of the employee's status as an employee of the County and is not a matter of public knowledge or available to the public on request.

Conflict of Interest: An actual or potential situation in which the personal interests of a vendor, employee, or public official are, or appear to be, in conflict with the best interests of the jurisdiction.

Contract: An agreement between two parties with binding legal force, usually exchanging goods or services for money or other consideration.

Cooperative Purchasing: The combining of requirements of two or more entities to obtain the benefits of volume purchases.

Excess: Materials, supplies, equipment, furniture, and vehicles that still have value and can be used by the County

Goods: All material, equipment, supplies, printing and automated data processing hardware and software.

Goods: All material, equipment, supplies, printing, and automated data processing hardware and software.

Informality: A minor defect or variation of a bid or proposal from the exact requirements of the **Invitation For Bids**, or the **Request for Proposals**, which does not affect the price, quality, quantity or delivery schedule for the goods, services or construction being procured.

Invitation for Bids: a formal request to prospective vendors soliciting price bids for specific goods and/or **Nonprofessional Services**

Nominal Value: A fair market value of \$7.00 or less, except that consumable items under \$25.00 in value offered to all participants or members at a professional association or organization meeting shall be considered as nominal.

Nonprofessional Services: Any services not specifically identified as professional services in the definition of professional services within this article.

Official Responsibility: Any administrative or operating authority, whether immediate or final, to initiate, approve, disapprove, or otherwise affect a procurement transaction, or any claim resulting therefrom.

Offeror: Individual or firm submitting a proposal in response to a **Request for Proposals**.

Procurement: The combined functions of purchasing, inventory control, traffic and transportation, receiving, inspection, storekeeping, inventory control, surplus, and disposal.

Procurement Transaction: is defined as all functions that pertain to the obtaining of any goods, services, or construction, including:

Professional Services: Work performed by an independent contractor within the scope of the practice of accounting, actuarial services, architecture, land surveying, landscape architecture, law, dentistry, medicine, optometry, pharmacy or professional engineering.

Public Purchasing: The process of economically obtaining supplies and services for jurisdiction purpose and use.

Purchase Order: A written document to a vendor formalizing all the terms and conditions of a proposed transaction, such as a description of the requested item(s), delivery schedule, terms of payment, and transportation.

Purchase Requisition: A request to obtain materiel or service and authority to commit funds to cover the purchase.

Purchasing Ethics: Moral principals or code to be respected and followed by purchasing personnel. Prohibits breach of the public trust by any attempt to realize personal gain by a public employee through conduct inconsistent with the proper discharge of the employee's duties.

Public Body: Any legislative, executive or judicial body, agency, office, department, authority, post, commission, committee, institution, board, or political subdivision created by law to exercise some sovereign power or to perform some governmental duty, and empowered by law to undertake the activities described in this article.

Request for Proposals: a formal request to prospective **Offerors** soliciting proposals for **Professional Services**, and other specialized goods and services, as determined by the Procurement Manager, it is in the best interest of the County to be procured through **Competitive Negotiations**.

Responsible Bidder or Offeror: A **Bidder** or **Offeror** that has the authority to transact business in the Commonwealth, the capability, in all respects, to perform fully the contract requirements and the moral and business integrity and reliability which will assure good faith performance, and who has been prequalified, if required.

Responsive Bidder: A person who has submitted a bid that conforms in all material respects to the invitation to bid.

Scope of Work: Detailed description of the work the purchasing jurisdiction wants the contractor to perform.

Services: Any work performed by an independent contractor, except for construction, which does not consist primarily of acquisition of equipment or materials, or the rental of equipment, materials and supplies.

Sole Source: Only one vendor possesses the unique and singularly available capability to meet the requirements of the solicitation.

Surplus: County property including, but not limited to, materials, supplies, equipment, furniture, and vehicles that are no longer of use to a department

Tie Bid Preference: a policy of giving preference to a local bidder **only if the bid is**

identical to a bid from a non-resident business, all other aspects of the bid being equal.