



Procedures to Implement the Purchasing Policy

- I. **Procedure Name:** Procedures to Implement the County Purchasing Policy
- II. **Related Policy:** Purchasing Policy, Adopted May 18, 2022
- III. **Standards of Procedures:**
 - a. The County has a decentralized purchasing program which is supported by the Administrator's Office. The County Administrator has been appointed as the Purchasing Director and is responsible for overseeing the implementation and compliance with the County's Policy and Procedures for compliance.
 - b. Consistent with the Board approved Purchasing Policy, the following standards apply.

Purchase Amount	Purchasing Process	Approving Entity
Up to \$999.99	Invoice / Receipt	Department Head
\$1,000 to \$4,999.99	Three Verbal Quotes	Department Head
\$5,000 to \$24,999.99	Three Written Quotes Purchase Order & in budget Expenditure report to Board	Department Head and County Administrator The County Administrator may, at his or her discretion, also request Board approval.
\$25,000 and over	Competitive bid (sealed bids, proposals, or qualifications) Purchase Order/Contract	Department Head, County Administrator, Board Approval, and Purchase Order

- IV. **Operational Standards:**
 - a. All purchases must be consistent with the Policy Standards included within the Purchasing Policy Section, VII subsection G and H.
 - b. All purchases must be documented through a receipt, invoice, or other adequate documentation determined by the Finance Department and/or the County Administrator in order to be considered an eligible expense and paid by the County.
 - c. Individual departments are responsible to ensure that items ordered and all expenditures are within the budgetary appropriations.

- d. The County utilizes the Michigan Inter-governmental Trade Network to advertise bid opportunities.
- e. Individual departments shall compare bid or quote prices to those available through joint purchasing programs established through the State or another local unit of government which operates a cooperative purchasing program, such as MiDEAL, in order to maximize the value of the public tax-dollar. Purchases may be made through MiDEAL or cooperative purchasing agreements when the price is lower than the bid or quotes received.
- f. Any piece of equipment with a value of \$5,000 or more, must be registered with the Finance Director and appropriately recorded in the fixed assets inventory. Refer to Fixed Asset Capitalization Policy and Fixed Asset Disposal Policy.
- g. All purchases of computer hardware, software, or licensing shall be made only after review and recommendation by the Information Technology Department.
- h. Purchases Up to \$999.99
 - i. Departments must maintain adequate documentation of the purchase to substantiate and justify the expenditure including an invoice or detailed receipt.
- i. Purchases Between \$1,000 - \$4,999.99
 - i. Require three (3) verbal quotes
 - ii. All verbal quotes require documentation of a telephone log or other record displaying the date, time, price quoted, name of vendor, and the contact person providing the quote.
- j. Purchases Between \$5,000 – \$24,999.99
 - i. Require three (3) written quotes
 - ii. Vendors shall provide at a minimum a description of the item or details of the service to be provided, the cost of the item or service, and the name of the contact person making the quote.
 - iii. Departments shall retain all quotes for two years following the date of award.
 - iv. Staff shall evaluate the quotes received. The evaluation should consider the quality of the product or service, the cost of the product or service, and any other requirements deemed necessary by the department.
 - v. Department Director and the County Administrator must approve the award of the quote.

- vi. Purchase Order
- vii. Staff to report contracts and expenditures to the Board of Commissioners on a monthly basis.

k. Purchases \$25,000 and Over

- i. Require Competitive Bidding Process (Sealed bids, proposals, or qualifications).
- ii. Proposals, bids, or qualifications must be solicited from at least three vendors, unless the goods or services meet the Policy exclusions established in Section V of the Purchasing Policy.
- iii. The bid, proposal, or qualification specifications should include the following:
 1. Date of Issuance of the Specifications
 2. Description of the item or service that is desired
 3. General or Special Terms and Conditions
 4. Date of any mandatory pre-bid meetings that a vendor is required to attend
 5. Specifications should identify if the respondent is able to present an alternative make, model, type, or service that may also meet the requirements of the proposal
 6. Contact person for questions and/or clarification
 7. Date, time, format, and location, in which any proposals must be received
- iv. Bid Opening and Recording
 1. Any bids or proposals received following a closing date and time will be deemed non-responsive and rejected.
 2. Staff must make a record of all bids.
- v. Evaluation of Bids, Proposals, or Qualifications
 1. Staff shall create an evaluation form to identify and rate the proposals received. The evaluation should consider the quality of the product or service, the cost of the product or service, and any other requirements deemed necessary by the department.
- vi. Board Approval:
 1. The Board must award the contract to the vendor.
 2. The Board should receive a summary of the purchase, bid summary sheet which identifies the bidders, the bid amounts, and the rationale for the selection of that vendor to provide services.
- vii. Issuance of a Purchase Order
 1. Should a difference occur between the price or terms indicated on the purchase order and the price of any time on an invoice, the written approval of the County Administrator must be obtained prior to the invoice being paid.

V. Emergency Purchases:

- a. Emergency Purchases must be approved by the County Administrator
- b. The requesting department should supply the following information in any request for an Emergency Purchase to the County Administrator:
 - i. A complete description of the item or service that is to be purchased
 - ii. The reason/rationale for the emergency purchase
 - iii. The cost of the item to be purchased
 - iv. The department must indicate if funds are available in the current budget, the fund number, and account number.
 - v. The name of the vendor to provide the goods or services.
- c. The department must follow all standard purchase order and finance department processes.
- d. The individual receiving the emergency items or services shall obtain an extended invoice detailing the items or services that have been provided.

VI. Exclusions to Procedures: The County Administrator may adjust, amend, or provide an exclusion for the above stated procedures in order to effectuate a better, more efficient, and more competitive purchasing plan.

VII. Review of Procedures: These procedures should be reviewed at least every three years, updated, and redistributed as necessary.