

**GILA COUNTY, ARIZONA**  
**BOARD OF SUPERVISORS POLICY**

<b>Gila County Policy</b> <b>PROCUREMENT-PURCHASING</b>	<b>Policy Number: BOS-FIN-003</b>	<b>Page</b>
	<b>Adopted by BOS: 9-20-11</b>	<b>1 of 8</b>
	<b>Revised: 9-30-14</b>	

**I. Purpose:**

The Gila County Procurement Group, acting as the central public purchasing authority for Gila County, shall endeavor as its primary mandate to conserve public funds and conduct the procurement process in a fair, open, competitive, and ethical manner, within the provisions of applicable Arizona Revised Statutes, the Gila County Procurement Code, and in the best interest of Gila County.

The purpose of this policy is:

1. To provide guidelines and clarification for implementation of the Procurement Code and to assure all procurements are carried out within the mandates of Arizona law and the County Code for the procurement of tangible goods or property.
2. To permit and give direction to the continued development of procurement procedures and practices.
3. To provide for increased public confidence in the practices followed in public procurement.
4. To promote cooperative, interactive, interdepartmental relations that assures the timely and cost-effective acquisition of supplies, equipment and services.
5. To assure the highest level of ethical conduct in all business transactions

**II. Policy:**

**Applicability**

This policy applies to all procurements initiated after the effective date of its adoption by the Board of Supervisors.

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This policy applies to expenditures exceeding \$500 of public funds for procurement, including, but not limited to, assistance monies, grant monies or other monies processed through Gila County. Nothing in this policy or in procedures promulgated under this policy shall prevent any Gila County department or elected office from complying with the terms and conditions of any grant, gift, bequest or cooperative agreement.

This policy shall apply to all Gila County personnel associated in any way with the requisitioning, acquisition or use of any supplies, equipment or services.

### **Authority of the Procurement Group**

The Procurement Group shall have the authority to:

1. Promulgate procurement procedures, pertaining to procurement practices and requirements consistent with Arizona Revised Statutes, and the Board of Supervisors' policies.
2. Make sourcing decisions and purchasing recommendations to the Finance Director, County Manager, and Board of Supervisors.
3. Dispose of surplus personal property pursuant to Arizona Revised Statutes. Surplus equipment and materials that have little or no value or are unauctionable items may be made available to local charitable, non-profit organizations at no charge. Items which are determined to have sufficient value may be saved for use by various County departments or elected offices, auctioned (after 30 days' notice in a newspaper of the County) or with unanimous consent of the board and without public auction, may be sold or leased for a specific use to any solely charitable, social or benevolent nonprofit organization incorporated or operating in this state.
4. At the direction of the County Manager or Board of Supervisors, execute the necessary documents to terminate for convenience or cause, contracts executed by County Manager or Board of Supervisors. The County Manager has authority to direct the termination of contracts that he/she approved. Only the Board of Supervisors has the authority to terminate contracts that they approved.

Except as herein provided, no person shall purchase or make any contract within the scope of this policy other than through the Procurement Group and any order or contract made contrary to the provisions hereof shall not be approved by Gila County.

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### **Responsibility of the Procurement Group**

The Procurement Group shall:

1. Report to the Finance Director.
2. Develop and implement procedures that ensure compliance with Board of Supervisors' policies and with relevant provisions of the Arizona Revised Statutes.
3. Serve as Purchasing Agent for Gila County.
4. Develop cost-effective, centralized procurement of all supplies, equipment and services for all Gila County departments and elected offices.
5. Prepare, advertise, and issue invitations for bids and requests for proposals, and ensure that the selection process is in compliance with all Gila County policies and procedures, and Arizona Revised Statutes.
6. Facilitate the development of specifications for annual contracts for materials, supplies, equipment and contractual services.
7. Evaluate bids and make recommendations in conjunction with department heads or elected officials for award to the Finance Director, County Manager, and Board of Supervisors.
8. Issue blanket contracts, purchase orders and contracts for materials and services pursuant to Gila County procedures.
9. Review all Gila County proposed contracts for approval by the County Manager, or Board of Supervisors.
10. Maintain a centralized contract file and retrieval system for all Gila County contracts.
11. Maintain a vendor file and encourage and assist vendors in competing for Gila County business.
12. Coordinate the disposal of Gila County's surplus or obsolete equipment.
13. Ensure that:
  - A. The needed quantity of supplies, equipment and service are procured in the most advantageous manner for Gila County, subject to funding limitations.
  - B. Full and open competition is encouraged on all purchases.
  - C. All applicable policies, procedures, rules, laws and regulations are complied.

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- D. Current development in the purchasing profession, benefits of research on products, new products, market trends, trade associations and technical societies are utilized to assist Gila County in maintaining a more efficient and cost effective system of purchasing.
- E. The Procurement Group is responsive to the needs of the various internal departments and elected offices.
- F. Nothing in this policy shall require Gila County to disregard any state or federal mandated laws, regulation or grants requirements.

**Competitive Bidding**

The Gila County Procurement Group shall ensure that a competitive environment exists for all procurements. The following shall apply:

- 1. All policies, procedures, rules, laws, and regulations shall be followed in all bidding activities.
- 2. Bids and proposals shall be opened in accordance with approved procedures.
- 3. The Procurement Group shall tabulate and analyze the bids received in answer to bid requests and in conjunction with the requesting department or elected office, shall verify that the bids meet technical specifications.
- 4. The Procurement Group shall make recommendations for the award of all bids to the Finance Director.

**County Use of General Services Administration (GSA) Contracts**

Notwithstanding the competitive bidding requirements of this policy, the County Manager or designee may evaluate general services administration contracts for materials and services. The County Manager or designee may authorize purchases under a contract approved by the County Manager or designee without complying with the competitive bidding requirements of this policy if the County Manager or County Manager’s designee determines all of the following apply:

- 1. The price is equal to or less than the contractor’s current federal supply contract price.
- 2. The contractor has indicated in writing that the contractor is willing to extend the current federal supply contract pricing, terms and conditions.
- 3. The purchase order adequately identifies the federal supply contract on which the order is based.
- 4. It is cost-effective and in the best interests of the County.

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### **Recommendations for Bid Award**

The Procurement Group shall prepare and submit all bid award recommendations to the Finance Director. The Finance Director will review and forward for final review and approval to either the County Manager or Board of Supervisors.

1. If the low bid is acceptable and requires approval by the Board of Supervisors, the recommendation for award should be placed on Board of Supervisors' agenda.
2. If the requesting department or elected office finds the low bidder to be unacceptable, it will submit justification for award to other than the low bidder to the Procurement Group. The Procurement Group will convene a meeting with the representatives of the requesting department or elected office, the County Attorney's Office, and Finance Director to review the bid evaluation and formulate a recommendation to the County Manager and Board of Supervisors based on:
  - A. Conformance to specifications,
  - B. Intended use,
  - C. Best interest of Gila County,
  - D. Legal considerations,
  - E. Procedural requirements,
  - F. Ethical considerations.
3. Bid awards of less than \$25,000 may be executed by the County Manager and all bids above \$25,000 must be awarded by the Board of Supervisors.

### **Sole Source Procurements**

When the needs of a department or elected office can only be met by a particular product or service, the department or elected office shall submit justification in writing to the Procurement Group that "sole source procurement" is required. Such justification shall include a full and detailed explanation as to the reason no other make, model, etc., will satisfy the needs of the County.

Upon approval of the Finance Director, the Procurement Group will proceed to seek maximum competition for the item in accordance with normal procurement procedure.

Examples to no substitute procurement include, but are not limited to:

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- A. Replacement parts or accessories for a specific piece of equipment.
- B. Specific chemicals or compounds to obtain a desired result or to sustain a warranty on specific equipment.
- C. Color, composition and other attributes must be an exact match to existing installations.
- D. Computer operating systems or compatibility issues.

**Gifts and Rebates**

All elected or appointed officers and employees of the County are expressly prohibited from accepting or soliciting any gift, rebate, money or remuneration, which has a value exceeding \$25, which is, or may appear to be designed to influence the employee’s official conduct for any person, firm, company or corporation.

Notwithstanding this policy, the following gifts may be received under this policy:

- A. Family gifts (gifts provided to relatives or other members of the covered individual’s family).
- B. Items or discounts given which are generally available to the public.
- C. Lawful campaign contributions.
- D. Flowers.
- E. Informational material.
- F. Items donated, paid for or given to or for the sole benefit of the charitable and non-profit organizations.
- G. Items customarily given to the officer or employee prior to becoming a county officer or employee.
- H. Nominal items such as greeting cards, baseball caps, T-shirts, mugs, or pens.
- I. Honorary recognition plaques and awards (non-cash).

Gifts received are to be returned to the supplier, immediately with a letter explaining Gila County’s policy and copied to the Human Resources Director.

**Procurement of Goods (supplies and equipment)**

Each department or elected office is responsible for the entry of purchase requisitions into the County’s accounting/procurement software system for all items exceeding \$500 in value. This value includes the item plus shipping, handling and sales tax. The approval of each requisition will be as follows:

- 1. Department designee less than \$1,000\*\*
- 2. Department head /elected official and/or their chief deputy less than \$5,000\*\*

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3. Director of Finance less than \$10,000
4. County Manager less than \$25,000
5. Board of Supervisors greater than \$25,000

\*\* All requisitions for any items that are in the commodity codes of capital, furniture or computers must additionally be approved by the Finance Director. There is no minimum dollar amount for purchases of these items requiring approval from the Finance Director.

The previous requisition approval amounts exclude the process of blanket orders which must be authorized by the County Manager or Board of Supervisors prior to final issuance. Most blanket orders should be issued only for the current fiscal year period, which could be up to 12 months of activity.

A blanket purchase order is a purchase order that is valid for a specified period of time and/or dollar amount and authorizes multiple orders or releases during that period. Blanket purchase orders are designed to make the procurement processes more efficient by eliminating repetitive data entry and multiple one-time purchase orders. In addition, it streamlines the invoicing and purchasing processes so that invoices are paid in a timely manner. A blanket purchase order is a long-term agreement between the County and its supplier. A single blanket purchase order number is only set up one time it can allow multiple releases against it at different times throughout a set time period. A “release” occurs each time a quantity is received against an open blanket order that has a quantity and value which is outstanding or uncommitted.

Once each individual requisition has received its appropriate level of approval it will be automatically forwarded to the Procurement Group for further action to validate the estimated price and delivery dates. Upon validation, requisitions will be converted to a Gila County purchase order, forwarded to the respective vendor and notification of issuance will be conveyed to the requesting department or elected office.

### **Reporting**

The Finance Department will prepare a report on a weekly basis highlighting all purchase orders with a value exceeding \$5,000 that was released over the past calendar. This report will be submitted to the first regular Board of Supervisors meeting of each month.

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**APPROVED:**

**BOARD OF SUPERVISORS**



Michael A. Pastor, Chairman

Attest:



Marian Sheppard, Clerk

Approved as to form:



Bryan Chambers

Deputy County Attorney/Civil Bureau Chief