



PROCUREMENT PROCEDURES MANUAL

Appomattox County, Virginia
Adopted May 15, 2017

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SECTION 1: INTRODUCTION

This manual sets forth specific policies and procedures for the procurement of goods, services, and construction activities, and shall be followed by all County departments. Comments, suggestions, and questions of interpretation should be sent to the attention of the Purchasing Agent.

Authority

The Appomattox County purchasing system shall operate under the direction of the County Administrator, which authority is hereby delegated to the Purchasing Agent. Unless specifically delegated by the Purchasing Agent (or County Administrator), no other County officer or employee is authorized to order supplies or services, enter into purchase negotiations or contracts, or in any way obligate the County for indebtedness. Any purchase order or contract made which is contrary to these provisions and authorities shall be of no effect and void and the County shall not be bound thereby.

Purpose

- To ensure that all procurement procedures are conducted per the standards of the Virginia Public Procurement Act (VPPA), Section 2.2-4300 (Chapter 43) of the Code of Virginia;
- To ensure that all procurement procedures are conducted in a fair and impartial manner without impropriety or appearance of impropriety, while at the same time maximizing competition among vendors;
- To ensure that employees obtain a clear understanding of the County's purchasing policies and objectives;
- To ensure that reasonable standards are established, against which internal and external auditors can measure the performance of the appropriated funds; and
- To ensure that Appomattox County obtains high quality goods and services at reasonable cost.

Procurement Approvals

All transactions directly and individually involving a specific person, whether by initiation or party, shall be approved by someone other than that person. Approval should normally be obtained from that person's respective supervisor or his or her designee. All requisitions shall be approved by a supervisor; Failure to do so may be deemed fraudulent and could result in disciplinary action up to and including termination of employment.

All contracts shall also be provided to the County Attorney for review and approval as to form.

Any person responsible for an unauthorized procurement shall be personally liable for such purchase and, if already paid for out of County funds, the amount may be recovered by the

County. Subsequent approval of the procurement by the County Administrator shall relieve the individual of personal liability for the unauthorized procurement.

Dividing or Separating Procurements

Procurements and contracts shall not be divided into separate tasks or parts with the intent of avoiding any dollar amount limitations set forth in this policy.

Posting

All solicitations and Notices of Award will be posted on the County's website in the area designated for bids, RFPs, and other solicitations. Posting shall occur when records and documents related to the procurement are available for public inspection, as required by the provisions of this policy.

Responsibilities of Department Heads and Others Designated to Purchase

- Knowing, understanding and following the policies contained within this manual;
- Anticipating the department's needs and determining the quantity, general type or character of supplies, materials, services or equipment required;
- Generating written specifications or scopes of work that accurately describe those needs;
- Submitting purchase requisitions in sufficient time to allow the Purchasing Office to conduct a fair and open competitive process; and
- Submitting, along with all invoices, evidence that the policies and procedures set forth by the Virginia Public Procurement Act and this manual have been followed. For example, if three (3) written quotes are required prior to making a certain purchase, then those three (3) quotes must be attached to the invoice when submitting for payment. If verbal (telephone) quotes are allowed, they can be written and submitted all on the same sheet of paper. For larger contracts, the RFP or IFB number must be written on each invoice before submitting for payment.

SECTION 2: SMALL PURCHASES

This section, written pursuant to Section 2.2-4303 (G) of the Code of Virginia, establishes the procedures to be used for the procurement of small purchases.

Small Purchases of Goods and Services (other than Professional)

Neither competitive sealed bids nor competitive negotiations shall be required for single or term contracts for goods and services (other than professional) and non-transportation related construction if the aggregate or the sum of all phases is not expected to exceed \$100,000; but these rules shall apply:

- **\$1 - \$3,500** – For the necessary small purchase of goods and services up to \$3,500.00, multiple bids or quotes are not required, but are advised when practical. County Departments are encouraged to purchase equally from all firms over time and use competition as practicable.
- **\$3,501-\$30,000** – For those approved small purchases of goods and services from \$3,501 to \$30,000, County Departments shall solicit a minimum of three (3) verbal bids or quotes.
- **\$30,001-\$100,000** - For those approved small purchases which exceed \$30,000, County Departments shall develop a written proposal or bid form and, whenever possible, acquire in writing at least four (4) bids or quotes. Newspaper advertising is not required, but posting of a public notice on the County’s website, eVA and/or another appropriate website is encouraged. The proposal or bid form shall require that the bidder identify the services desired, the date by which the services should be rendered, and the cost for such services. The Purchasing Agent will be able to provide templates and forms for convenience and to satisfy legal and insurance requirements.
- **\$100,001 – and above**- The Small Purchases provisions of this section are not applicable to purchases above this level of expenditure.

Professional Services

Competitive negotiation for single or term contracts for professional services if the aggregate or the sum of all phases is not expected to exceed \$60,000 is not required; however, such small purchase procedures shall provide for competition wherever practicable.

Additional Considerations for Small Purchases

The receipt of written quotations is always preferred, even if verbal or telephone quotations are authorized. If a dispute arises after the order is placed regarding terms or pricing, these written confirmations provide a record of the purchase. Ask that the quoting party sign and date any quotation and include the position and or title of the individual providing the quote.

SECTION 3: STATE AND OTHER COOPERATIVE CONTRACTS

Commonwealth of Virginia Contracts

Goods and services may be purchased via Commonwealth of Virginia contracts without the need to obtain additional quotes or bids since those contracts have already undergone a rigid procurement process per the Code of Virginia. However, County Departments are encouraged to seek additional bids where practical to ensure that the County receives the best possible prices on purchased goods and services.

Other Cooperative Purchasing Contracts

Many other cooperative purchasing opportunities are available to assist Appomattox County in obtaining necessary goods and services. Listed below are those deemed to be acceptable options for County departments to use:

- U.S. Communities Cooperative Purchasing (Sponsored by the National Association of Counties)
- Virginia Association of State College & University Purchasing Professionals (VASCUPP)
- General Services Administration (GSA)
- National Joint Powers Alliance (NJPA)

Other cooperative purchasing opportunities exist and will be examined on a case-by-case basis.

SECTION 4: EXEMPTIONS FROM FORMAL COMPETITIVE PROCEDURES

There are some circumstances when compliance with the competitive sealed bidding or competitive negotiation procedure is excused, even though the cost of the goods or services is expected to exceed stated thresholds.

Emergencies

An emergency is an occurrence of serious or urgent nature that demands immediate action. Emergencies include, but are not limited to, natural disasters and situations which may endanger public health and welfare. *The County Administrator is the only individual authorized to declare an emergency.*

In case of an emergency, the Department head may award a contract without competitive sealed bidding or competitive negotiation; however, such procurement shall be made with as much competition as is practical under the circumstances. A written determination of the basis for the emergency and for the selection of the particular contractor shall be written and sent to the County Administrator with a copy to the Purchasing Agent for inclusion in the contract file. It shall include: (1) a description of the goods or services; (2) the reasons why the Department head believes that an emergency exists necessitating the goods or services; (3) an explanation of the basis of the emergency; and (4) identification of at least three vendors who may provide the goods or services; if fewer than three vendors are practicably available, it shall identify only such vendors and state why it believes other vendors are not practicably available.

In determining whether an emergency exists, the County Administrator considers the following:

- An emergency may include, but is not limited to, natural disasters and situations when goods or services are needed immediately.
- If it is demonstrated that the procurement of the goods or services is necessary to protect the public health of citizens.
- When it is demonstrated that major immediate repair is necessary to prevent further damage to public property, machinery or equipment.
- When it is demonstrated that a breakdown in an essential service is imminent or has occurred.
- When it is demonstrated that supplies are needed for immediate use in work that may vitally affect the public health, safety or welfare.

An emergency should not be claimed to exist if the need for the goods or services is not immediate. In determining whether an emergency exists, the County Administrator may wish to conduct his or her own investigation. Additional information may be requested from the Department head and the County Attorney or Purchasing Agent may be consulted.

If it is determined that an emergency exists, then:

- Upon approval of the County Administrator, the Purchasing Agent shall issue a written notice detailing the contract awarded on an emergency basis, including what is being procured, the vendor selected, the amount of the award, and the date which the contract was or will be awarded. This notice shall be publicly posted on the County's website on the day the County awards or announces its decision to award the contract, whichever occurs first, or as soon thereafter as possible.
- The selection of the vendor shall be made as competitively as practicable under the circumstances. Such procurements shall be confirmed by purchase order.
- If the emergency exists outside of normal business hours, then the procedure specified above shall be carried out at the earliest time possible on the first County business day following the apparent emergency.

Sole Source

The sole source procedure may be used when there is only one source practicably available for the goods or services to be procured.

If a Department head desires to procure goods or services that it believes are available only from a sole source, he shall state in writing to the Purchasing Agent: (1) a description of the goods or services, in the form of the proposed specifications or a work statement; (2) the reasons why it believes that the goods or services may be procured only from a single vendor; and (3) an explanation of the efforts made to reach its conclusion that the goods or services may be procured only from a single vendor.

The determination of whether the goods or services may be procured only from a single vendor shall be made by the Purchasing Agent. In making this determination, the Purchasing Agent shall conduct the necessary research to support the Department head's determination, and shall document the procurement record to such findings. In making such determination the Purchasing Agent shall determine whether there is only one vendor practicably available to provide the goods and services, ensuring that the specifications or work statement has been so narrowly written so as to preclude multiple bidders or vendors from eligibility or to thwart competition.

If the Purchasing Agent determines that the goods or services may be procured only from a single vendor, the following procedure shall apply prior to the actual procurement:

- The Purchasing Agent shall make a written determination that only one vendor is practicably available to provide the goods or services, and state the basis for the determination. This written determination shall be placed in the contract file.
- The Purchasing Agent shall post public notice of sole source determination for at least ten (10) days. This notice shall: (1) state that only one vendor was determined to be practicably available; (2) identify the goods or services that will be procured; (3) identify the vendor selected; and (4) state the date on which the contract will be awarded and the dollar amount of this contract.

If the Purchasing Agent determines that the sole source procedure does not apply because there are other vendors practicably available, the Department head will be notified of the determination. Depending on the size of the procurement, either quotes will be obtained, or a formal solicitation will be done.

Annual Construction Contracts

Construction projects where cost estimates are not expected to exceed \$100,000 may be completed under an annual construction contract. When multiple pre-qualified term contracts exist for a particular discipline (i.e. electrical contractors) and costs are expected to exceed \$5,000, multiple quotes shall be obtained and submitted to the Purchasing Agent as documentation for purchase order approval. The County Administrator may determine it is in the County's best interest to allow a project exceeding the \$100,000 threshold to be completed under an annual contract.

Upon initiation of a project, the project manager shall have an annual contract change order completed with the estimated budget of each project. These change orders shall be sent to the Purchasing Agent, and a line item will be added to the purchase order. Upon completion of each project, the project manager shall notify the Purchasing Agent, so the project's line item can be completed. If the project exceeds the initial estimate, additional funds will be encumbered for that project.

Purchasing at Public Auction

Goods, products and commodities may be purchased at a public auction if the County Administrator determines in advance, and in writing, that the procurement by public auction is in the best interests of the County.

If a Department head desires to procure goods at a public auction, he shall request such in writing to the County Administrator and copy the Purchasing Agent. Such request shall state: (1) a description of the goods; (2) the reasons why the using Department head believes that it is in the best interests of the public to procure the goods at public auction; and (3) the time, place and organizer of the public auction.

If the County Administrator approves the purchase, the Purchasing Agent shall attend the public auction sale and procure the goods. The Department head or his representative may accompany the Purchasing Agent.

SECTION 5: SURPLUS PROPERTY

Disposal of Surplus Property

The Purchasing Agent is responsible for selling, transferring, trading, or otherwise disposing of all materials, supplies, equipment or other personal property of the County which has become obsolete or unusable.

Sale of Surplus Property

The Purchasing Agent will determine the best method for the sale and/or disposal of surplus property. Before the surplus property is offered for sale, the Purchasing Agent may transfer the property to other County agencies or use the property as a trade-in on new equipment. If either of these methods of disposal is used and the surplus property has a value of \$5,000 and above, the Purchasing Agent will notify the Finance Department on the status of the property for the purposes of updating the County's Fixed Asset Catalog.

All sales of property pursuant to this section shall be accomplished by the means of (1) competitive bids (2) public auction; or (3) firm price offered to all persons wishing to participate in the sale. The Purchasing Agent shall use whichever method believed to provide the greatest revenue for the County.

Board of Supervisors members and County employees are not eligible to bid on Appomattox County surplus property.

GovDeals Public Auction Website

The County's preferred method of selling property is the GovDeals Public Auction Website.

All online auctions must be staged for no less than two (2) weeks before the auction is concluded. If reserve is not met or if no bids were received, then the Purchasing Agent may hold subsequent two (2) week auctions as necessary, while modifying the reserve as deemed appropriate.

Board members and employees may bid on surplus property being auctioned on GovDeals by other state and local governments, but not on property being auctioned by Appomattox County.

SECTION 6: CONTRACT & CHANGE ORDERS

General

After “Intent to Award” is posted, the Purchasing Agent will prepare a contract using the County's standard contract template and forward to the County Attorney for approval as to form and then to the successful bidder or offeror for signature.

If the contract documents were included as part of the solicitation package, the Purchasing Agent will notify the contractor to execute the contract upon receipt of the “Intent to Award” and return it to the Purchasing Office

Signature on Behalf of County

The Purchasing Agent has been granted the authority to sign all contracts under Section 2 (small purchases) on behalf of the County after review and approval by the County Administrator and County Attorney. All contracts that are not subject to the small purchases policy will require the authorization of the Board of Supervisors before they are signed.

Change Orders

Contracts are modified by issuing Change Orders. Change orders may modify the contract scope of services or work, the contract amount, and contract time. Change orders must be related to the original scope of work and are required for additional work, betterments, unforeseen conditions, errors and omissions, project overages, reduction of work, incentive pay, and liquidated damages.

The County Administrator may approve change orders up to \$50,000.

All approved change orders must be submitted to the Purchasing Agent so the contract and/or purchase order may be adjusted as needed. Change orders must also be included when submitting the corresponding invoice for payment.

Small changes up to \$10,000 to add items not in the bid schedule and quantity variations less than \$10,000 may be addressed in a summary or balancing change order at the end of a project phase or at the end of a project.