

Polk County

# REQUEST FOR PURCHASE APPROVAL

**DEPARTMENT NAME:**

**DATE:**

Purchase	PO# (if applicable)		
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Local consideration			
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Vendor

Account

Price

**CLASSIFICATION INFORMATION:**

Amount (circle one)	RFP attached	Committee minutes attached	CIP attached
Above 500.00			
<2,000.00			
2-6,000.00			
6-12,000.00			
over 12,000.00			
Informal			
Formal			

**NOTES: Attached additional sheets if needed**

**ITEM DESCRIPTION:**

Description:

**Form of Payment:**

Reason	Contract or agreements attached	Notes			

**ACTION TAKEN:** [ ] a. Approved [ ] b. Disapproved

**Authorized Signature**

(Print Name) \_\_\_\_\_ (Sign) \_\_\_\_\_ Date \_\_\_\_\_

## **912-4-101 -- Purchasing Cycle**

### **A. Orders under \$2,000.**

1. The department determines the need for products or services.
2. If the expected cost of the requisition is less than \$2,000.00, **and the items are not offered on standard contracts**, the Department personnel may place the order directly with the vendor using best judgment as the basis for vendor selection. The use of purchase orders is optional for orders less than \$2,000.00.
3. Delivery of goods and services by the vendor.
4. Acceptance of goods or services by the designated department.
5. Department completes a direct payment voucher (or a purchase order payment voucher if a purchase order has been issued) attaching the appropriate invoice.
6. After approval the department head or designee forwards the approved direct payment voucher to the Department of Administration staff for processing.
7. The vendor is paid for services. Purchasing cycle is complete until the item is ready for disposal.

### **Purchases under \$2,000 - Best Judgment.**

When the total estimated cost of an order is less than \$2,000, departments may award to the vendor judged best able to supply the requested goods or services. In choosing a vendor, consider the following factors: Location of delivery point, quality of articles to be supplied, price of articles, conformity with the specifications, purpose for which the articles are required and the date of delivery.

## **B. Orders over \$2,000 to \$6,000.**

1. The department determines the need for products or services and is instructed to obtain the necessary two (2) informal/verbal price quotes. For sole source purchases, prepare the necessary documentation on why the purchase should be considered sole source. Please see Section 5-103 for details.
2. An electronic requisition form is completed. The departments are required to document at least two (2) informal/verbal price quotes they received either on the electronic requisition form or by sending a written copy of the informal price quotes to the Finance Director. To assure prices quoted are comparable, be certain that the total price represents all costs, including delivery. If sending the written summary, please remember to indicate the appropriate requisition number. The use of the electronic requisition form and the issuance of a purchase order is required for all purchase of supplies and material in which the total order is expected to exceed \$2,000.
3. The department is instructed to secure the informal bids, unless the Finance Director has provided in writing the waiving of this requirement.
4. The purchase is placed with the successful vendor by issuance of a purchase order.
5. Delivery of goods and/or services by the vendor.
6. Acceptance of goods or services by the designated department.
7. Department of Administration completes the electronic receipting of the goods and services.
8. The accounts payable staff receives the invoice, verifies the information and pays the vendor for the services or goods.
9. The purchasing cycle is complete when the item is ready for disposal.

### **Purchases over \$2,000 to \$6,000 - Informal Bids**

Although titled "Informal" this is still a competitive procedure. It involves the comparison of bid quotations from at least two (2) or more vendors whenever possible by using:

- . Current price lists or catalogs.
- . Recent price quotations on file (within the calendar year).
- . Phone or verbal quotations solicited from vendors.
- . Written informal price quotations or bids (including fax quotes).

All departments will obtain and document the quotes. Documentation for verbal and phone quotes must include the vendor's name, the salesperson providing the quote, the quoted price, the date of the quote, and the telephone number. To assure prices quoted are comparable, be certain that the total price represents all costs, including delivery.

### **C. Orders from \$6,000 - \$12,000.**

1. The department determines the need for products or services and is required to obtain the necessary three (3) formal written bids or proposals. For sole source purchases, prepare the necessary documentation on why the purchase should be considered sole source. Please see Section 5-103 for details.
2. An electronic requisition form is completed. The departments are required to document at least three (3) formal written bids or proposals they received on the electronic requisition form and send the written bids or proposals to the Finance Director. Fax bids or proposals are acceptable. To assure prices quoted are comparable, be certain that the total price represents all costs, including delivery. When sending the written bids or proposals, please remember to indicate the appropriate requisition number. The use of the electronic requisition form and the issuance of a purchase order is required for all purchase of supplies and material in which the total order is expected to exceed \$6000.
3. The department is required to secure formal/written bids or proposals, unless the Finance Director has provided in writing the waiving of this requirement.
4. The purchase is placed with the successful vendor by issuance of a purchase order.
5. Delivery of goods and services by the vendor.
6. Acceptance of goods or services by the designated department.
7. Department of Administration completes the electronic receipting of the goods and services.
8. The accounts payable staff receives the invoice, verifies the information and pays the vendor for the services or goods.
9. The purchasing cycle is complete when the item is ready for disposal. See D. below for disposal procedures.
10. In addition to step 1-9 above, orders over \$10,000 shall be advertised.

### **Purchases over \$6,000 to \$12,000**

At least three (3) written bids or proposals are required for purchases in this category unless a sole source purchase is justified. For sole source purchases, prepare the necessary documentation on why the purchase should be considered sole source. Please see Section 5-103 for details. The three (3) written bids or proposal may include fax quotations. The department will obtain the written bids or proposals. To assure bids or proposals are comparable, be certain that the total price represents all the costs associated with the purchase, including delivery.

#### **D. Orders over \$12,000**

1. All items/services in excess of \$12,000 are to be procured through a publicly advertised bidding process.
2. The reporting committee must give the authority for the advertisement of bids and the department must furnish the reporting committee and Department of Administration with complete and detailed specifications on the item to be purchased.
3. All public bids must be advertised on the County Website.
4. A written request for proposals (RFP, see section 912-5-102) must be developed and made available to all vendors.
5. All bids received must be sealed bids and be received prior to the determined date of opening.
6. All bids received will be publicly opened
7. The reporting/governing committee has the right to accept and reject any and all bids
8. Items in excess of **\$25,000** leased, purchased, or contracted through this process must be submitted to the Finance Committee for their review

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## **912-5 TYPES OF PURCHASES**

### **912-5-101 -- Bids**

Bidding is the preferred method of purchasing. With the exception of the purchases in the Best Judgment dollar category (less than \$2,000), justification must be provided when this process is not used. (However, departments are encouraged to obtain quotes in that category as well if time permits.) Effective bids require the development of clear specifications that will result in the quality level appropriate for the purchase.

Awards will be made to the lowest responsible bidder. "Responsible" means the vendor who meets the specifications and is a qualified vendor.

### **912-5-102 -- Requests for Proposals**

This method of purchasing is appropriate when the specifications or scope of the services cannot be adequately prepared to provide all prospective contractors with a complete and accurate description of the work to be performed. Generally, you are looking for the vendor to solve a problem for you. Professional services often fall into this category. The basis for selection includes other performance factors along with price. Examples of performance include work experience on projects of a similar size, expertise of the staff, and technical solution to the problem. Cost is always a factor to be considered. RFPs may be evaluated by a team of knowledgeable personnel.

**912-5-103 -- Sole Source Purchases**

Occasionally, there is only one source for a good or service. Although commonly referred to as "sole source" purchases, they should be thought of as "noncompetitive negotiations." In such instances, you should make every effort to assure that you have obtained the best possible price. Complete the electronic requisition form and send the letter stating the reasons for the sole source purchase to the Finance Director.

One or more of the following circumstances, with adequate justifications, may serve as the basis for using noncompetitive negotiation:

- . The service or good is unique or of a proprietary nature and available from only one source. This should be an infrequent circumstance.
- . Grant moneys are involved that require subcontracts and specify the contractor.
- . A public emergency exists where the urgency for the required service will not permit competitive solicitation.
- . Substantial time pressure exists beyond the department's control. (This does not include administrative delays or confusion in processing the necessary paperwork for approval.)

**912-5-104 -- Emergency Purchases**

An emergency is a situation, which threatens the **public health, safety, or welfare** and **all** of the following conditions exist: the circumstance was unforeseen; calls for immediate action; and cannot be responded to using established purchasing methods.

When such situations occur and the purchase will exceed your delegated amount, inform the Finance Director of the emergency, and then secure the goods or services without regard to normal purchase selection procedures. Try to obtain at least two (2) competitive prices, if it will not hamper or delay activities necessary to eliminate the emergency. A formal written determination declaring that an emergency exists or existed must be made by the department head and submitted to the Finance Director within 24 hours. Enter the purchase on the electronic requisition form and purchase order. If the emergency occurs after regular working hours, purchase what is necessary and notify the Finance Director on the next working day.

For emergencies within your delegated responsibility, prepare a letter of the circumstances detailing why it meets the definition of an emergency and document any competitive process that was used. Send a copy of this letter to the Finance Director.

**912-5-105 -- Cooperative Purchases**

Any purchase made off the State of Wisconsin cooperative purchase contracts, or made through other purchasing associations, constitute compliance with the competitive bidding requirements. No additional bidding is required since the contracts established by these entities have already gone through the competitive bidding process.

In addition, if the identical product can be obtained at a lower price, you may order from that vendor without additional bidding as long as the cooperative purchasing contract you are using for the price comparison is a current contract.

**912-5-106 – Professional Services**

Professional services are necessary to the County when there is a need for a vendor to solve a problem for you. The method of purchasing those services is appropriate when it is difficult to provide all prospective contractors/vendors with a complete and accurate description of the work to be performed. Examples, of those services are auditing, legal, engineering, architecture, landscaping, information technology, etc. The basis for selection includes other performance factors along with price. Examples of performance include work experience on projects of similar size, expertise of staff, and the technical ability for their firm to resolve the problem. RFP's will be written by the department to solicit the necessary firms. The RFP's may be evaluated by a team of knowledgeable personnel.

**912-6-106 -- Purchases from County Employees and Public Officials**

Any single public official or County employee may enter into contracts with Polk County in which they have a private interest in and that it does not exceed an aggregated amount of \$15,000 per year. (Wisconsin State Statute 946.13) It will also be County policy that purchases will not be made from County employees or Public Officials without full disclosure

## **912-7 PUBLIC WORKS CONSTRUCTION PURCHASES**

### **912-7-101 -- Definition of Public Works Projects**

Public Works projects are defined as any repairs, remodeling, construction or changes to any County owned land or building or county and /or state roads. Public works projects also include capital purchases and construction projects in the highway department. Public Works projects may also be the purchase of the materials used for the repairs, remodeling, construction or changes to any County owned land or building or County and/or state roads.

### **912-7-102 -- Public Works Construction Purchases**

In accordance with Wisconsin Statutes 66.29 and 59.52, public works construction projects over \$20,000 must be competitively bid and must be awarded to the lowest responsible, responsive vendor without regard to the vendor's location. Wisconsin Statutes 59.52 requires a Class 1 notice under Chapter 985 if the estimated cost of the public project is between \$5,000 and \$20,000. The Statute also outlines the procedure for public works construction projects during an emergency. Contact the County Finance Director for specific instructions for public works projects.

### **912-7-103 -- County Board Review**

All public works projects of \$20,000 and over require the Approval of the County Board of Supervisors. All highway department construction projects and equipment purchases of \$150,000 and over require the approval of the County Board of Supervisors.

### **912-7-104 -- Assessment of Vendor Qualifications**

Bid specifications may be sent to any vendor, and bids will be accepted from any vendor submitting a bid. Vendor qualification will be assessed before the award is made.

**POLK COUNTY CREDIT CARD POLICY**  
**Policy 914**

**B. HOW CREDIT CARDS ARE USED**

It is impossible to anticipate every situation encountered by a County department. Therefore, these guidelines should be applied on a conservative basis, consistent with normal business standards, with good judgment exercised wherever the policy is silent.

1. Cards may be used to purchase such items (preferably local vendors) as: specialized office materials, automobile parts, books, photo developing, pictures, fuel for County-owned vehicles when County supplies are not available, etc.
2. Use of Cards for travel-related expenses should be coordinated through the Department of Administration and/or its designee.
3. The following will generally be considered inappropriate uses of a credit card: individual purchases over \$500 at any one time unless approved in advance by the Administrative Coordinator/Finance Director or his/her designee; split purchases; installment payments of any kind toward the purchase of an item(s); the purchase of projects; purchases circumventing any County contractual agreement; balances exceeding \$2,000 for any one (1) month per department unless approved in advance by the Administrative Coordinator/Finance Director; the purchase of such items as: furniture, computers, alcohol, weapons, full uniforms, or personal entertainment; circumvention of County Resolutions/Purchasing Policies; personal services.