

Resolution No. 04 -2012

Resolution to Repeal Policy No. 912, *Purchasing Policy* and Polk County Policy No 913, *Investment Policy* and to Create Polk County Policy No. 912, *Polk County Government Purchasing Policy* and Policy No. 913, *Polk County Investment Management Policy*

TO THE HONORABLE SUPERVISORS OF THE COUNTY BOARD OF THE COUNTY OF POLK:

Ladies and Gentlemen:

WHEREAS, the Polk County Board of Supervisors has adopted Polk County Policy No. 912, *Purchasing Policy*, to govern the manner of county purchasing and to provide for uniform purchasing procedures; and

WHEREAS, the Polk County Board of Supervisors has adopted Polk County Policy No. 913, *Investment Policy*, to govern the investment and management of public funds pursuant to and in accordance with applicable federal and state law and regulation; and

WHEREAS, it is in the interest of the County to repeal each such finance policy and to create such finance policies to increase accountability and transparency and to recognize the current administrative structure.

NOW THEREFORE BE IT RESOLVED that the Polk County Board of Supervisors does repeal Polk County Policy No. 912, *Purchasing Policy* and Policy No. 913, *Investment Policy*, as previously adopted by the Polk County Board of Supervisors.

BE IT FURTHER RESOLVED that the Polk County Board of Supervisors does adopt and create Polk County Policy No. 912, *Polk County Government Purchasing Policy* and Policy No. 913, *Polk County Investment Management Policy*, which are attached hereto and incorporated herein.

Funding Amount and Source: Not Applicable
Finance Committee Advised: December 14, 2011
Finance Committee Recommendation: Adoption
Date Submitted to County Board: January 17, 2012
Effective Date: Effective upon Passage

Submitted upon recommendation of the Polk County Finance Committee

Gary Bergstrom

William F. Johnson, IV

Kathryn Keinholz

Neil Johnson

Brian Masters

Brian Masters 1/5/12

45 Review By County Administrator:

46 Recommended

47 Not Recommended

48 Reviewed Only

49 _____
50 Dana Frey, County Administrator

51 Review By Corporation Counsel:

52 Approved as to Form

53 Recommended

54 Not Recommended

55 Reviewed Only

56 _____
57 Jeffrey B. Fuge, Corporation Counsel

58 During its regular meeting on January 17, 2012, the Polk County Board of Supervisors adopted
59 the above resolution by a vote of ___ in favor and ___ against. *by unanimous voice vote*
60 *as amended*

61 _____
62 William F. Johnson, IV, Chairperson

63
64 Attest: _____
65 Carole T. Wondra, County Clerk
66

67
68



PURCHASING POLICY

Policy 912

Effective Date: 03-21-1995

Revision Date: 10-16-07

Revision Date: 02-18-2003

Revision Date: __-__-201__

POLK COUNTY GOVERNMENT PURCHASING POLICY

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SECTION 1: GENERAL

PURPOSE

The purpose of this policy is to provide for a fair, accountable, and transparent public procurement system in Polk County implemented in compliance with Federal Law, State Statute, and County Board policy, maximizing efficiency with the use of public funds and establishing a consistent public purchasing process that meets high standards of integrity.

SCOPE

This policy applies to all Polk County departments and all organizations for which Polk County is the fiscal agency and where not superseded by State or Federal law, rule or regulation or other funding agreements or contractual provisions.

DEFINITIONS

For purposes of this policy, the following terms have the meanings given:

1. *Business* means a corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.
2. *Capital equipment* means that defined in the budget preparation and execution policy.
3. *Certificate of insurance* means a document issued by an insurer providing evidence that an insurance policy exists and including information such as insurer, insurance agency, insured, types of insurance, policy numbers, effective dates, limits, certificate holder, cancellation procedure, special provisions, e.g., additional insured, and the name of the representative authorizing the policy.
4. *Change order* means a written method of modifying a contract (purchase order) after it has been written by way of another purchase order.
5. *Contract* is written evidence of an agreement between two parties (e.g. the county and a vendor) to perform some act or service. A contract may cover a specific transaction or a series of transactions. A contract is legally enforceable on both parties.
6. *Invoice* means a document that itemizes charges for materials or services furnished upon which payment is due.
7. A lease means an agreement, whether oral or written, for transfer of possession of real property, or both real and personal property, for a definite period of time.
8. *Petty cash* means a fund in the form of currency or coin that is advanced by an organization unit from appropriated funds to an authorized employee.
9. *Procurement* means the entire span of acquisition from determination of need through final disposition, with purchasing one segment of this cycle.
10. *Procurement cards* are credit cards issued to purchasing agents to simplify the procurement of smaller items.
11. *Professional services* are unique, technical and/or infrequent functions performed by an independent contractor qualified by education, experience and/or technical ability to provide services of a specific project nature and predominately intellectual in character.
12. *Public works projects* are as defined in Wisconsin Statutes section 59.29 as amended from time to time.

13. *Purchase order* means a formal offer to buy.
14. *Purchasing agent* means that person entrusted by this policy to represent their department and authorized to initiate purchasing transactions.
15. *Quotation* means a vendor reply to inquiry, giving terms and conditions of sale, or an offer to sell.
16. *Responsible bidder* means a business that has the capability in all respects to perform fully the contract requirements, and the experience integrity, reliability, capacity, facilities, equipment, and credit which will a good faith performance.
17. *Responsive bidder* means a business who has submitted a bid, which conforms in all material respects to the requirements, set forth in the invitation for bids.
18. *Request for proposal* means an invitation presented for vendors to submit a proposal on a specific commodity or service.
19. *Request for quotation* means an invitation for vendors to submit a proposal when the specifications of a product or service are already known and when price is the main or only factor in selecting the successful bidder.
20. *Vendor* means a business with which the County has purchased or may purchase a good or service.
21. *W-9 form* means a document issued by the United States Internal Revenue Service (IRS) for certain tax purposes.

RESPONSIBILITIES

The following agencies have the responsibilities assigned them under this policy in addition to those assigned under other policies, State and Federal laws and regulations.

DEPARTMENT OF ADMINISTRATION

Except as otherwise provided in this policy, the purchasing policy must be implemented and administered by the county administrator or his/her designee. In so doing, the administrator or designee must:

- Oversee all bid specifications based on information furnished by the department for which the purchase is to be made, ensuring that the bid specifications fully describe the goods or services to be purchased and clearly differentiate the same from similar goods or services;
- Determine the form and required contents of all requests for proposal and requests for quotation;
- Ensure compliance with all written policies, administrative practices and procedures as adopted by the County Board;
- Ensure the maintenance of the fixed asset inventory;
- Periodically review and recommend modifications and changes to purchasing policies, administrative procedures and practices where necessary;
- Ensure departments have adequate funds available to undertake a requested purchase and, if not, modify or cancel the purchase to ensure budget compliance;
- Review and, as needed, amend the quality and quantity of goods or services requested or otherwise make substitutions;
- Ensure all bids are adequately publicized to inform local bidders; and
- Maintain oversight over department purchase requests as they relate to need, quality, price, and conformity with County standardization practices.

DEPARTMENT HEAD

It is the responsibility of the department head to:

- Ensure that there are funds budgeted to pay for purchases;
- Report to the county administrator any purchasing deviations from line items budgeted;
- Document the receipt of all merchandise or services purchased;
- Prepare appropriate invoices for payment; and
- Properly record purchases made under the proper line item account code.

DEPARTMENTAL PURCHASING AGENT

It is the responsibility of the purchasing agent to:

- Ensure that all relevant Board policies, State and Federal laws are followed;
- Prepare all necessary documentation as required by this policy including requests for proposal and requests for quotation;
- Determine the method of purchasing that is the most appropriate;
- Conduct the purchasing process; and
- Preserve and transmit all required documentation to the department head.

ETHICAL STANDARDS:

Polk County employees must meet the highest standards of integrity in public procurement and failure to do so will be subject to disciplinary action. Accordingly:

- No county employee or official may solicit, demand, accept or agree to accept from any other person a gratuity in connection with any decision, approval, disapproval or recommendation of a purchase request.
- Purchases by the county for the personal use of an employee or official are prohibited even if reimbursement is made to the county for the cost of the purchase.
- Any employee who identifies a conflict of interest must disclose that conflict in writing to the purchasing agent and remove himself or herself from the procurement process.
- No employee may disclose confidential proprietary information from solicitations to other vendors or using that information for personal gain.

Any purchase made by an employee or county official that is contrary to these ethical provisions must in no way obligate the county for payment. Any such purchase will be considered a personal liability of the involved employee or official.

SECTION 2: CONSIDERATIONS IN PURCHASING

ENERGY CONSUMPTION

The Polk County Board of Supervisors recognizes the importance of energy conservation in cost control and in environmental protection. Accordingly, in purchasing capital equipment that has an energy use of

significance a department must request energy consumption data from all vendors in any request for proposals and may consider potential energy costs in determining the lowest bidder.

LOCAL PREFERENCE

The Polk County Board of Supervisors recognizes the importance of County purchases in supporting the local economy, and supports local purchases whenever possible within the constraints of State and Federal law. Departments must take into consideration the monetary value of the availability of local service and transportation costs in determining the lowest price and, further, if the difference in price between a local vendor and a vendor from outside Polk County is negligible, must award the bid to the local vendor, all else being equal and absent any legal restriction that would prevent this award.

CONTRACTING AUTHORITY

Only the County Board chair, county administrator or the finance manager can legally bind the County to any total lease valued or contract valued at or above \$12,000 unless State law requires the signature of the county treasurer or the county clerk or any other party. Copies must be forwarded to the department of administration. The human services department, public health department and Golden Age Manor may serve as a contracting authority for client services under \$25,000 annually, with any contract above that amount approved by the county administrator.

PUBLIC WORKS CONSTRUCTION PROJECTS

In accordance with Wisconsin Statutes 66.0901 and 59.52 as amended from time to time, public works construction projects over \$25,000 must be competitively bid and must be awarded to the lowest responsible, responsive vendor without regard to the vendor's location. A notice pursuant to Wisconsin Statutes 59.52 must be prepared as required and, in an emergency, the procedure followed as provided in this same section as in effect at any given time.

All highway department construction projects and equipment purchases of \$150,000 and greater require the approval of the County Board of Supervisors.

SECTION 3: CERTAIN PURCHASES, SPECIAL PROVISIONS

GRANT FUNDED PURCHASES

Unless specifically prohibited by the granting authority, grants must be administered through a written contractual agreement between the County and the party providing the service. All purchases made with grant funds must comply with the terms and conditions of the grant and this policy. If the grant requirements conflict with this policy, the county administrator may suspend those provisions of this policy only for the specific grant and for the duration of that grant. The Department Head is responsible to comply with purchases covered by grant funds.

PROMOTIONAL ITEMS

Departments may purchase items of negligible value for educational or promotional purposes to be given to members of the public only at events generally open to the public or educational sessions. Such items must be clearly and permanently marked with the name of the County and the department or agency and funding for these purposes specifically identified in the annual budget.

COMPUTER PURCHASES

In addition to the approval by the Department of Administration, purchase or lease of computer hardware and software must be managed and authorized for procurement by the Department of Information Technology. For purposes of this section, computer hardware also includes copiers. The Director of Information Technology will manage and procure all requisitions for computer hardware and software. Technological compatibility must be a consideration in awarding any contracts for computer hardware and software.

PURCHASES OF LEGAL SERVICES

No purchasing agent may approve the purchase of legal services without the prior approval of the corporation counsel. The corporation counsel may establish a procedure for granting such approval.

END OF YEAR PURCHASES

As prescribed by the budget preparation and execution policy, unless provided by other policy, State and Federal law, grant or other funding contract, all expenditures for capital assets must be made so that delivery of that asset occurs on or before December 31 in the year in which the purchase was authorized unless authorized by the county administrator or his/her designee.

HIGHWAY DEPARTMENT CONTRACTS

Pursuant to Wisconsin Statutes section 83.035 as in effect at any given time, the highway commissioner, with the approval of the Polk County Highway Committee, is authorized to execute contracts for the purpose of enabling the county to construct and maintain streets and highways in cities, villages and towns within the County, with a copy filed with each respective clerk. Maintenance includes the furnishing of any road supplies and equipment to these municipalities. The highway department may not undertake construction or maintenance for such municipalities in excess of the county aid authorized by the County Board.

All contracts executed with any municipality for such roadwork must provide that payment in full must be made to Polk County within 120 days of the completion of such roadwork. If a municipality fails to make payment in full within this time, the highway department may not undertake any further work of any type or furnish any road supplies or equipment for or to this municipality. Further, if a municipality fails to make payment in full within this time, any unpaid balance outstanding bears interest at the rate of 5% per annum until paid. Highway contracts entered into under the authority of this policy must follow the standard contract approval and route and process as established by County policies and procedures as well as conformity with State law.

INDEFINITE QUANTITY CONTRACTS

Notwithstanding any other provision of this policy, and as permissible under state and federal law, rules and regulations, the highway commissioner may enter into a contract to procure materials for construction, maintenance and repair of highways valid for a period not to exceed one year. For purposes of this section, an indefinite quantity contract means an agreement to procure these materials at a set rate per amount, with the total amount to be purchased estimated only. These contracts must competitively bid following the standard procurement procedure appropriate for the estimated dollar cost of materials to be purchased during that year.

PROHIBITED EXPENDITURES

Unless specifically authorized by the County Board of Supervisors, the following expenditures may not be made using County funds:

- Entertainment expenditures such as tickets for admission to public entertainment events, theaters, and similar;
- Alcoholic beverages and tobacco, except in conjunction with a compliance investigation;
- Retirement parties or similar events including awards and gifts unless authorized under an employee recognition policy;
- Charitable contributions made by County employees;
- Common courtesy expenditures such as flowers or cards for ill county employees or local officials; and
- Any travel or related expense for employee's spouse, other family members or for any acquaintances.

SECTION 4: STANDARD PROCUREMENT PROCEDURE

DETERMINATION OF NEED

A department head, or his/her designee, must initiate the procurement process through a determination of need, that the operation of that department requires the purchase of goods or services from an external vendor. If funds for that purpose have been appropriated in the annual budget, the department head or his/her designee may initiate this process by transmitting a request to the purchasing agent for that department or division. If funds for that purpose have not been appropriated, the procurement process may not be initiated until such time as funds are appropriated.

PROCEDURES FOR COMPETITIVE BIDS

Departments must use a bidding process in purchasing unless otherwise provided in this policy and even if not required are encouraged to do so. Awards must be made to the lowest responsible bidder. In determining the lowest bidder, the purchasing agent may consider cost of operation over the life of the item. When comparing bids or quotes, the following elements must be considered: price, conformity with original specifications, warranty, delivery date (if specified), and freight charges. Upon reviewing the bid results, the purchasing agent may elect to solicit additional bids. The department of administration will be

the agent of record on the purchase order; it is their responsibility to see that the requirement for competitive bidding has been met.

PURCHASING PROCESS

Except as permitted by the sole source purchase provisions of this policy, all purchasing agents must follow the procedures listed below based on the amount of the purchase. No purchase of a single good or commodity at the same general time may be divided into separate purchases to qualify for a lower threshold of approval, process or documentation.

ORDERS LESS THAN \$2,500

1. If a purchasing agent determines the expected cost of the purchase is less than \$2,500 and the goods or services are not offered on standard contracts, the purchasing agent may place the order directly with the vendor using his or her best judgment as the basis for vendor selection. The use of purchase orders is optional for orders less than \$2,500.
2. Once the order is accepted by the vendor and the delivery of goods and services takes place the purchasing agent completes a direct payment voucher or a purchase order payment voucher if a purchase order has been issued attaching the appropriate invoice unless this purchase qualifies for completion using a procurement card.
3. The purchasing agent must forward the approved direct payment voucher to the department of administration for processing except in the case of purchases made through a procurement card.
4. The department of administration must, on submission of the appropriate documentation, pay the vendor of these goods or services.

ORDERS GREATER THAN OR EQUAL TO \$2,500 AND LESS THAN \$7,500.

1. The purchasing agent must obtain at least two informal bids, i.e. not necessarily in writing or obtained through a full request for proposal process. These bids may include current price lists or catalogs, recent price quotations on file (within 30 days), phone or verbal quotations solicited from vendors and written informal price bids (including faxes).
2. Once the department secures the lowest informal bid the purchase/order may be placed with the successful bidder. After the delivery of goods or services takes place the department completes a voucher for payment attaching the invoice, purchase order, and documentation of the informal bids.
3. The purchasing agent must forward the approved direct payment voucher to the department of administration for processing.
4. The department of administration must, on submission of the appropriate documentation, pay the vendor of these goods or services

ORDERS GREATER THAN OR EQUAL TO \$7,500 AND LESS THAN \$15,000

1. The purchasing agent must forward specifications and requirements and bid documentation to the department of administration for approval, including justification for specification of a specific brand or model that may limit competition.
2. The finance manager or his/her designee must review the designation and approve the process, including specification of a specific brand or model.

3. On approval, the purchasing agent must issue a request for proposals, allowing two weeks for a response unless another time period is authorized by the finance manager and obtain three formal written bids or proposals.
4. If vendors submit bids for a product or service different from that specified, a determination must be made if the alternate item is an equal substitution. The vendor must provide sufficient product information for the user to evaluate the alternate item. If not awarding to the low bidder, justification for not accepting the low bid must be documented.
5. The purchasing agent must document at least three formal written bids or proposals, which may include faxed and emailed bids or proposals. The prices quoted must represent all costs including delivery and, if applicable, estimated energy usage over the life the equipment.
6. The department must execute a purchase order to the successful bidder. All purchasing documents are to be reviewed by the department of administration to ensure proper procedure was followed upon approval.
7. Following delivery of goods and services by the vendor and acceptance of goods or services by the designated department, the department must complete an electronic receipt of the goods and services.
8. On receipt of the invoice and completion of the electronic receipt, the department of administration must pay the vendor of these services or goods.

ORDERS GREATER THAN OR EQUAL TO \$15,000

1. A department head must request authorization from the department of administration to proceed with the advertisement of bids, furnishing complete and detailed specifications on the item to be purchased including any specification of a particular brand or model that may limit competition.
2. A department head must develop a written request for proposals and submit to the department of administration for publication.
3. The finance manager or his/her designee must review the designation and approve the process, including specification of a specific brand or model.
4. On authorization, the department of administration must publicly advertise the bid on the County website.
5. All bids received must be sealed and received prior to the determined date of opening.
6. All bids received must be publicly opened, with the department head and/or purchasing agent and a representative of the department of administration present.
7. If vendors submit bids for a product or service different from that specified, a determination must be made if the alternate item is an equal substitution. The vendor must provide sufficient product information for the user to evaluate the alternate item. If not awarding to the low bidder, justification for not accepting the low bid must be documented.
8. Decision on bid award is the responsibility of the purchasing agent. No award of any formal sealed bid results may be made without prior approval of the finance manager.

SOLE SOURCE PURCHASES

It is the expectation of the Polk County Board of Supervisors that all purchases will be made under full and open competition except as provided in this section. Justification for other than full and open competition may be:

ONLY ONE RESPONSIBLE SOURCE: The supplies or services required by the department or agency are available from only one responsible source and no other type of supplies or services will satisfy agency requirements. In the determination of only one responsible source, documentation must cite specific reasons for such exemption, such as compatibility with existing equipment, professional services that involve specific knowledge or familiarity with County activities not otherwise available, or that only one supplier exists to provide particular goods or services.

FUNDING SPECIFICATION: The source of the funding, e.g. granting agency specifies a single source for goods or services. Documentation requesting sole source purchases must include a copy of those provisions specifying this source.

UNUSUAL AND COMPELLING URGENCY: The department or agency's need for the supplies or services is of such an unusual and compelling urgency that the County would be seriously injured unless the agency is permitted to limit the number of sources from which it solicits bids or proposals. Solicitation from as many potential sources as is practicable under the circumstances is required. This urgency may also extend to delays in procurement through other vendors that would be unacceptable to the county. This authority will not be approved if it is determined that the urgency is due to a lack of advance planning by the department or agency.

Documentation for an emergency purchase must also include an explanation of the emergency, the financial or operational damage or risk of damage that will or may occur if needs are not satisfied immediately, why the needs were not or could not be anticipated so that goods or services could not have been purchased following standard procedures.

In all justifications made under this section, the requesting purchasing agent must list the reason and process used for selecting the vendor and documentation supporting the cost in the absence of directly comparable market data.

INVOICES

An invoice must be itemized and the original provided the department of any administration before any payment may be authorized. An invoice must contain:

- Purchase order number, if used;
- Itemized list of merchandise shipped;
- Prices, terms, date, quantities and all other pertinent information about the purchase; and
- All charges for delivery, freight listed separately from the merchandise.

Payments requests sent to the department of administration must be accompanied by the original invoice, including any supporting documentation. No payment may be made on pro forma Invoices. All invoices must be made out to Polk County with the goods and services shipped to Polk County.

CHANGE ORDER

A written change order may be issued only by the department head with the approval of the finance manager. Changes made by others in the purchasing process once an initial purchase order has been approved are considered invalid and their issuance subject to disciplinary action.

PREPAYMENTS

No goods or services may be purchased using prepayments (excluding employee travel expenses), or payment before receipt, without the written authorization of the county administrator or his/her designee.

SECTION 5: OTHER PURCHASING PROCESSES

STATE CONTRACT

If so determined by the department head, the purchasing agent may use existing contracts bid by the State of Wisconsin and bypass the competitive bidding process outlined in this policy for purchases of less than \$15,000. Purchases greater than \$15,000 require prior approval by the county administrator. For purposes of this policy, any purchase made from the State of Wisconsin cooperative purchase contract constitutes compliance with any competitive bidding requirements. Further, the State contract amount may be used as price comparisons for the purpose of the competitive bidding requirements for identical items.

COOPERATIVE PURCHASING

Departments may participate with a network of other governmental agencies for cooperative purchasing up to \$15,000 which will meet the competitive bidding requirements.

STANDARD CONTRACTS

Notwithstanding other provisions of this policy, if the finance manager has standardized the purchasing of a good or service and has issued standard purchase orders or contracts for these goods or services, such goods or services must be purchased from these vendors.

PETTY CASH

The finance manager must approve any petty cash fund. Any cash fund must be reconciled on a monthly basis, and no cash fund may have a balance greater than \$300 without formal approval of the finance committee. Purchases through the use of petty cash must comply with all other requirements of this policy.

INTERNET PURCHASING

Purchasing agents may purchase via the Internet only with procurement cards and only if it can be determined that identical items at the same price cannot be purchased elsewhere. Purchases via the Internet must comply with all other requirements of this policy.

AUCTIONS

Purchasing agents may purchase goods at auction only if the vendor offers protection against purchasing defective or erroneously described merchandise, or prior inspection of merchandise, and that the vendor allows for refunds, if necessary, after a physical inspection of the goods received.

Any such purchase must have prior approval by the finance manager, and is subject to the sole source documentation requirement as well as all other required documentation. In addition, the request for approval must be accompanied by an explanation of why it is in the county's best interest to purchase the item through an auction.

PURCHASES FROM COUNTY EMPLOYEES AND OFFICIALS

Provided all other provisions of this policy requirement are met, any single public official or county employee may enter into contract with or sell to Polk County in which they have a private interest in and that it does not exceed an aggregated amount of \$15,000 per year. (see Wisconsin statutes s. 946.13) In addition, all such purchases must be made with full disclosure meaning discussion at a meeting of the finance committee prior to the purchase.

PROCUREMENT CARDS

Procurement cards must be issued by the department of administration to purchasing agents after the agent has been trained in purchasing policy. Each card must have a dollar limit set by the finance manager; no purchase in excess of this limit may be made without the authorization of the finance manager. Other than as specified, use of a procurement card does not negate any other requirements of this policy.

LEASE AGREEMENTS

All lease agreements must follow purchasing policy unless approved by the finance manager and, for leases over \$25,000 annually must be reviewed by the finance committee.

SALES TAX EXEMPTION

As Polk County is exempt from Wisconsin state sales tax; employees must provide sales tax exemption information to any hotels, car rental company and similar when travelling on county business.

SECTION 6: MISCELLANEOUS PROVISIONS

DISPOSAL OF EXCESS SUPPLIES OR OBSOLETE EQUIPMENT

Supplies or equipment no longer serving a useful purpose must be reported to the Director of Buildings. For items of other than negligible value, the Director of Buildings must dispose of the supplies or equipment by transferring the material to a department which may need similar supplies or equipment, by competitive sealed bidding, by public auction, or in such a manner considered to be in the best interest of the County. County owned supplies or equipment must not be sold to County employees except by public auction or through public, competitive bidding.

CERTIFICATE OF INSURANCE

A certificate of insurance is required by the County when contracts with a vendor for materials, equipment, construction, remodeling, supplies, or services, that vendor's activities and the goods provided create an inherent liability risk to the County. The contractor must add "County of Polk, its officers, employees, and agents" as an additional insured under the commercial general, automobile and contractor's pollution liability and workers' compensation policies.

Certificates are required for contracted service vendors and require receipt of the certificate and continued renewal of the certificate while the contract exists. Internal audit must periodically sample the service contracts to ensure compliance.

W-9 FORM

Vendors doing business with the County must provide a signed form W-9 to the department of administration before payment will be authorized.

Purchasing policy amendment #1

On page 12, after the final section, insert a new section to read:

Law enforcement meal purchases

Notwithstanding any policy to the contrary, the sheriff or his/her designee may authorize the purchase of meals for law enforcement employees or volunteers at an accident or crime scene, natural disaster, search and rescue operation or a cooperative event with another law enforcement department where the required time commitment spans a traditional meal time and it is impractical to provide an adequate meal break. The maximum amount per meal may not exceed the maximum amount stated in the relevant travel policy.

Amend the index accordingly.

POLK COUNTY INVESTMENT MANAGEMENT POLICY

GENERAL PROVISIONS

Scope

This policy governs the investment and management of public funds under the jurisdiction of the County pursuant to and as permitted by Wisconsin statutes, Federal law and State and Federal regulations as in effect at any given time.

Definitions

For purposes of this policy, the following terms have the meanings given.

1. *Prudent person rule* means that defined in Wisconsin statutes section 881.01 or its successor as in effect at any given time.
2. *Investment instrument* means a security or other obligation, a deposit, bond, certificate, note, or similar investment.
3. *Liquidity* means the degree to which an investment instrument may be converted to cash without affecting its value and the time required to do so.
4. *Yield* means the earnings on any investment as determined over its lifetime expressed on an annual basis.
5. *Risk* means the probability that an investment will not be repaid in full, both in terms of principal and investment income.
6. *Investment committee* means the ~~County Board~~ ^{Finance Committee} Chair, County Treasurer, County Administrator and Finance Manager, with the Corporation Counsel serving as an ex-officio member.
7. *Finance committee* means the finance committee as appointed by the Polk County Board of Supervisors.

Responsibilities

The following agents have the responsibilities given in the administration of this policy:

Investment committee

Pursuant to Wisconsin statutes section 59.62 or its successor as in effect at any given time, the investment committee is responsible for the management of investment programs and cash management programs within the scope of State and Federal law and regulations and may delegate responsibility for these activities at their discretion, including contracting with an external investment advisor or advisors. The investment committee must establish written procedures for operation of the County's financial management programs consistent with this policy.

Finance manager

The finance manager must annually prepare a cash-flow analysis for the County for the current and following six years, demonstrating the county's likely assets, payment liabilities, and cash needs for purposes of estimating investment terms and liquidity needs. This analysis must be completed prior to January 1 of each year. It must also be reviewed prior to the purchase of any investment instrument and, as needed, the finance manager must make adjustments to this forecast. This forecast must be distributed to the investment committee and finance committee. The finance manager is also responsible for the preparation of all materials for consideration by the investment committee.

Finance committee

The finance committee must annually review the County's investment portfolio and make recommendations on any changes in investments to the investment committee and on any change in policy to the County Board. The finance committee is also responsible for establishing basic standards of risk to direct the investment committee. The finance committee is also responsible for the determination of the County's depository on recommendation by the investment committee.

County treasurer

Pursuant to Wisconsin statutes sections 59.62(1)(2) and 59.25(3)(s) or their successors as in effect at any given time, the authority to invest and reinvest County funds and to purchase investment instruments, provide for the safekeeping of such instruments, and to sell or exchange such instruments is delegated to the county treasurer. The county treasurer must review all monthly statements and make any recommendations therefrom to the investment committee.

INVESTMENT PROCEDURE

Eligible funds for investment

The investment committee or designee may purchase securities that are permissible investments from available funds that are not required for the immediate needs of the County, and may sell or exchange for other eligible securities and reinvest the proceeds of the securities so sold or exchanged. The investment activity of the County must conform to the rules and laws regulating Wisconsin public funds as in effect at any given time.

Investment criteria

Provided that legal standards and liquidity needs are met, the primary criteria for investment must be risk and yield. The finance committee must annually, or more frequently as needed, assess the risk associated with investment options and direct the investment committee as to the general permissible level of risk in County investments.

Diversification

Total holdings of any one issuer may not exceed 10% of the market value of the portfolio at the time of purchase, with the exception of U.S. Government issues and issues of U.S. Government agencies fully

guaranteed as to both principal and interest by the U.S. Government the State of Wisconsin Local Government Investment Pool.

Benchmarking

To determine whether the County's investment objectives are being met, any investment should be compared to the current U.S. Treasury bill rate for the same period as the investment including respective transaction costs.

Qualified investments

Pursuant to Wisconsin statutes as in effect at the time of any investment, the finance manager must annually prepare a listing of investments by type as permitted by law along with an assessment of likely risk and yield. The investment committee must review this listing and make a recommendation to the finance committee as to those types of investments believed to minimize risk while maximizing yield. From this information, the finance committee must annually determine those types of qualified investments that may be made by the investment committee.

Investment process

The following process must be followed in making any investment of public funds on behalf of Polk County when funds become available for such investment:

1. The investment committee must first determine the legality of any investment option following those sections of Wisconsin statutes effective at that time.
2. If an investment option is determined to be in compliance with these statutes, the committee must next determine that the liquidity of that investment option will allow the County to meet all its financial obligations based on the most recent cash flow analysis.
3. If an investment option meets the liquidity standard, the option must next be evaluated as to its risk and yield, following the prudent person rule. Risk must be evaluated in comparison to U.S. government obligations, Federally-insured deposits or similar funds, and the State of Wisconsin Local Government Investment Pool and as established by the finance committee. Yield is to be evaluated in accordance with the yield benchmark established in this policy.
4. If an investment option meets standards of risk as set by the finance committee, that investment which provides the greatest yield must be selected. If two investments provide the same yield, that investment which is determined to have the lowest risk as determined by the investment committee must be selected provided it meets the standards of risk as set by the finance committee.

Each of the steps in this process must be adequately documented and records retained as required by state or federal law, rule or regulation.

Purchase of investment instruments

Pursuant to Wisconsin Statutes sections 59.62(1)(2) and 59.25(3)(s), the authority to invest and reinvest County funds and to purchase investment instruments, provide for the safekeeping of such instruments, and to sell or exchange such instruments is delegated to the County Treasurer.

Official depository

The primary provider of banking services is the County's official depository and working bank determined by the finance committee using the criteria of safety, cost, level of services provided, and accessibility. The depository must be located within Polk County. In addition, the committee may place funds in other public depositories defined in Wisconsin Statutes. All accounts must include the county treasurer as a signatory. In accordance with Wisconsin statutes 34.01(5) and 34.09 all Wisconsin banks, state or federal chartered, as well as the Wisconsin local government pooled investment fund, are authorized depositories. The investment committee must set minimum and maximum deposit amounts for each institution.

REPORTING AND REVIEW

Reporting

The following agencies have the reporting requirements listed under this policy:

Investment Advisors and Custodians.

All investment advisers and custodians retained by the County will provide detailed monthly statements to the investment committee. These reports must at a minimum contain a description of each security including units held, cost, market value and current yield as well as a detailed list, by date, of all transactions executed during the period.

Depository institution.

The depository institution or institutions must provide the investment committee and county treasurer with detailed monthly statements and all other information as required by the County's contract with that institution.

Investment committee

The committee must report on investments to the finance committee at least quarterly and at least annually to the County Board and additionally as required by the County Board.

Review

This investment policy shall be reviewed annually by the investment committee, who must make recommendations to the finance committee as to any necessary changes, and by the finance committee, who must make recommendations for its amendment to the County Board.

OTHER PROVISIONS

Conflict of interest

Any County employee or elected official that has a responsibility under this policy must not conduct any personal business activity that would conflict with his or her responsibilities under this policy or that would create an appearance of lack of impartiality in any investment decision.

Transition rules

Any investment held at the time of this policy's adoption that does not meet the guidelines of this policy shall be exempted from the requirements of this policy until such time that the investment may be cancelled without incurring a significant penalty.

Disciplinary action

Any person who violates this policy may be subject to disciplinary action as well as subject to penalties under federal or state law, rule or regulation.

Severability

If any portion of this policy is found to be in violation of State or Federal law, contractual obligations or grant agreements that portion is to be considered null and void.

POLK COUNTY BOARD OF SUPERVISORS
Minutes from Tuesday, January 17, 2012
Polk County Government Center – County Board Room
Balsam Lake, WI 54810

Chairman Johnson called the regular December meeting of the Polk County Board of Supervisors to order at 6:00 PM.

County Clerk informed the Chair that notice of the agenda was properly posted in three public buildings, published in the county's legal paper and posted on the county website the week of January 9, 2012. Corporation Counsel Jeff Fuge informed the County Board that notice satisfied the applicable provisions of Wisconsin Open Meetings Law and notice provisions of County Board Rules of Order.

Roll call was taken by the Clerk, with 19 members present. Four Supervisors were excused, they were Supr. Caspersen, Moriak, Luke and Voelker.

Supr. O'Connell led the prayer

Chairman Johnson led the pledge of Allegiance

Chairman Johnson requested consideration and approval of the Consent Agenda. **Motion (Jepsen/Schmidt) to approve the Consent Agenda as published for the County Board Meeting agenda and the published minutes of the December 20, 2011 meeting. Motion to approve matters on the Consent Agenda, carried** by unanimous voice vote.

Time was given for public comments.

Chairman's Report, William Johnson.

Administrator's report was given by Administrator, Dana Frey. Administrator Frey introduced Gene Phillips to the board, recommending his appointment for Human Services Director for Polk County. **Motion (Kienholz/Schmidt) to Confirm the Administrator's appointment of Gene Phillips to the position of Human Services Director. Motion to Confirm said appointment carried** by unanimous voice vote.

Chairman Johnson opened the Public Hearing on the Proposed Ordinance to Create Appraisal Committee for Sale of Tax Delinquent Lands.

A presentation was given by Danette Olsen and Marty Harding on the Development of the National Heritage Initiative.

Chairman called for a 10 minute break. County Board in Recess at 6:50 pm.

Chairman calls the Board to Order at 7:00 pm.

Committee/Board Reports were given.

7:30 pm Chairman Johnson announced the public hearing closed.

Insect 01-12

Resolution 01-12 Ordinance to Create Appraisal Committee for Sale of Tax Delinquent Lands Motion (Masters/Jepsen) to approve. Motion to approve Resolution 01-012 carried by unanimous voice vote. Ordinance adopted.

Insect 02-12

Resolution 02-12 To Apply for Water Patrol Grant. Motion (O'Connell/Masters) to approve. Motion to approve Resolution 02-12 carried by unanimous voice vote. Resolution adopted.

Insert 03-12

Resolution 03-12 to Approve and to Pay Dog Claims Submitted in 2011. Motion (D. Johansen/Schmidt) to approve. Motion (Masters/Brown) to amend Resolution 03-12 by striking Claim No. 1 in the first BE IT RESOLVED clause. Amendment to strike Claim No. 1 (Grovm) carried by a roll call vote of 13 yes 6 no. (Voting yes: Sup. Schmidt, Brown, Kienholz, Edgell, Masters, Sample, Arcand, Nelson Hartung, O'Connell, Bergstrom, N Johnson and Wm. Johnson. Voting No: Supr. H. Johansen, D. Johansen, Korb, Stroebel, Jepsen, and Christensen) **Motion to approve Resolution 03-12, as amended carried** by unanimous voice vote. Resolution adopted.

Insert 04-12

Resolution 04-12 to Repeal Policy No. 912, Purchasing Policy and Polk County Policy No. 913, Investment Policy and to create Polk County Policy No. 912, Polk County Government Purchasing Policy and No. 913, Polk County Investment Management Policy. Administrator Frey addressed the resolution. **Motion (Sample/Masters) to amend Resolution 04-12 by striking "the County Board Chair" and substituting "Finance Committee Chairperson" from the Investment Management Policy under General Provisions, Definitions No. 6 (Investment Committee). Motion to amend Resolution 04-12 by striking County Board Chairman and inserting Finance Committee Chairperson, carried** by voice vote. **Motion (Masters/Sample) to further amend Resolution 04-12 by including Purchasing Policy Amendment #1 to page 12, after the final section, insert a new section to read:**

Law enforcement meal purchases

Notwithstanding any policy to the contrary, the sheriff or his/her designee may authorize the purchase of meals for law enforcement employees or volunteers at an accident or crime scene, natural disaster, search and rescue operation or a cooperative event with another law enforcement department where the required time commitment spans a traditional meal time and it is impractical to provide an adequate meal break. The maximum amount per meal may not exceed the maximum amount stated in the relevant travel policy.

Amend the index accordingly.

Motion to approve further amending Resolution 04-12 by adding Purchasing Policy Amendment #1, carried by unanimous voice vote. **Chairman Johnson called for the vote on the Resolution, as amended. Motion carried** by unanimous voice vote. Resolution adopted.

Insert 05-12

Resolution 05-12 to Ratify Labor Agreements and to Fix Compensation of Non-Represented Employees. Motion (Schmidt/Stroebel) to approve. Administrator Frey addressed the resolution. **Motion (Sample/Nelson) to amend Resolution 05-12 by adding the Teamsters Labor Agreement to list of Labor Associations under the second WHEREAS clause and to include the 2012 COLLECTIVE BARGAINING AGREEMENT BETWEEN POLK COUNTY AND POLK COUNTY GOLDEN AGE MANOR TEAMSTERS GENERAL UNION LOCAL 662 to the agreements that are incorporated in the Resolution. Motion to approve amendment to Resolution 05-12 carried** by unanimous voice vote. **Motion to approve Resolution 05-12 as amended carried** by a roll call vote of 16 yes, 3 no. Resolution adopted. (Voting yes: Supr. H Johansen, D Johansen, Schmidt, Kienholz, Korb, Edgell, Masters, Sample, Arcand, Nelson, Stroebel, O'Connell, Bergstrom, N Johnson, Christensen and Wm. Johnson. Voting no: Supr. Brown, Hartung and Jepsen)

Supervisor's Reports were given

Motion (N Johnson/Jepsen) to adjourn. Motion carried. Meeting adjourned 8:55 pm.

STATE OF WISCONSIN)
) SS
C OUNTY OF POLK)

I, Carole T. Wondra, Clerk for Polk County, do hereby certify that the attached is a true and correct copy of Resolution No. 04-12 that was adopted by the Polk County Board of Supervisors on Jan. 17, 2012.

Carole T. Wondra 1-23-12

Carole T. Wondra
Polk County Clerk

Date