



# **LIVINGSTON COUNTY PURCHASING POLICY 2022**

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# LIVINGSTON COUNTY PURCHASING POLICY INDEX



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## **INTRODUCTION**

Pursuant to General Municipal Law Section 104-b, goods and services which are not required by law to be procured by political subdivisions or any districts therein pursuant to competitive bidding must be procured in a manner so as to assure the prudent and economical use of public moneys in the best interest of the taxpayers of the political subdivision or district, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances, and to guard against favoritism, improvidence, extravagance, fraud and corruption. To further these objectives, the governing board of every political subdivision and any district therein, by resolution, will adopt internal policies and procedures governing all procurement of goods and services which are not required to be made pursuant to the competitive bidding requirements of section one hundred three of this article or any other general, special or local law.

Pursuant to Livingston County Local Law No. #3 of 1988, the County Administrator administers and oversees all purchasing functions of the County. This policy is the basis for the County's purchasing practices.

The purchase function involves the procurement of materials, supplies, equipment, and services at the lowest possible cost consistent with the quality needed to meet the required standards of the County. Although procedures change, fundamentals do not. Our goal is the promotion of the County's best interest through intelligent action and fair dealing which will result in obtaining the maximum projected value for each dollar of expenditures.

This policy has been prepared as a guide to performing the procurement function in accordance with County policies. It is intended to serve as a continuing reminder of the duties and responsibilities involved in procuring required items, while at the same time maintaining the County's reputation for fairness and integrity.

## **ETHICS OF PURCHASING**

In order to eliminate any suspicion of wrongdoing, unfairness or conflicts of interest prior to any purchase of materials, goods, or supplies, Purchasing will:

1. Consider the interest of the County in the betterment of its government;
2. Endeavor to obtain the greatest value for every dollar expended;
3. Be receptive to advice and suggestions from department heads, insofar as such advice and suggestions are not in conflict with legal or moral restriction in purchasing procedures;
4. Strive for knowledge of municipal equipment and supplies in order to recommend items that may either reduce cost or increase municipal efficiency;
5. Insist on and expect honesty in sales representations whether offered verbally or in writing, through advertising or by providing samples of a product;
6. Give all responsible bidders equal considerations and the assurance of unbiased judgment in determining whether their product meets specifications;
7. Discourage the offer of, and to decline any and all gifts which in any way might influence the purchase of municipal equipment and supplies; and
8. Accord a prompt and courteous reception, insofar as conditions permit, to all who call on legitimate business missions, and cooperate with governmental and trade associations in the promotion and development of sound business methods in purchasing the County's equipment and supplies.

## PURCHASING POLICY LIMITS AND GUIDELINES

Pursuant to General Municipal Law Section 104-b, procedures for purchasing goods or services that fall below monetary bid limits must be established and approved by the governing board. The following guidelines are established for all purchases made by Livingston County Departments.

**Quotes must be received for all items purchased in excess of \$1,000.00 unless they are available from an approved contract including but not limited to:**

- New York State Contract available through Office of General Services (OGS)  
<https://www.ogs.ny.gov/purchase/searchbrowse.asp>
- Contract awarded by Livingston County through the competitive bid process.
- Contract awarded by another municipality (*i.e. County, Town, Village*) that allows for “piggybacking” to be extended to other municipalities.
- Group Purchasing Contract (GPO used by LCCNR)
- Preferred Source pursuant to Sections 175(a) and 175(b) of the New York State Finance Law
- National Cooperatives – Refer to “Purchasing from Cooperative Contracts” on page # 11

**\*\*Departments are responsible** to confirm that the contract they are receiving pricing from is a valid current contract and that the items being purchased are included in the contract awarded to the vendor. Proof of this may be requested through various internal and external audits. This documentation is to be attached in the document section of the ERP system. \*\*

**Pricing can be negotiated.** Prices under a Cooperative or NYS OGS contact are normally “ceiling” prices. Departments should ask vendors for a best and final offer.

### PURCHASES OF GOODS/EQUIPMENT/COMMODITIES - \$20,000 OR LESS

**These guidelines apply to All County Departments.**

- **Purchase Orders are required for all purchases over \$1,000.00, unless noted as an exception.**
- **Like item orders cannot be split into multiple transactions to circumvent the Purchase Order/Bid process.**

Limits	Quotes	Purchase Orders
\$1,000.00 - \$2,499.00	2 Verbal Quotes	Purchase Order is issued
\$2,500.00 - \$19,999.99	3 Written Quotes	Purchase Order is issued
\$20,000.00 and over	Competitive Sealed Bid (unless from approved contract)	Purchase Orders can be issued for products and services if required by a vendor and to allow for tracking in the ERP system.
“Sole” source and “Single” source	Refer to page #10	

If the actual cost of any purchases or projects are uncertain but suspected to exceed the \$20,000 limit discretion will be used and the bidding procedure will take effect.

**Aggregate Purchases** – General Municipal Law, Section 103 requires purchases **exceeding \$20,000.00 involving an overall expenditure per category/like items by the County – not per department or vendor** be awarded to the lowest responsible bidder. Items or work of the same or similar nature, which are provided by the same groups of vendors or contractors, are to be treated as a single item for the purposes of determining whether the dollar threshold will be exceeded over a 12-month moving window. Dollar thresholds may not be avoided by artificially splitting purchases into lesser amounts.

**PUBLIC WORKS**

Public Works applies to those items or projects involving labor or both materials and labor. Public Works relates to most service contracts. Prevailing Wages apply. Contact Purchasing for assistance in obtaining the Prevailing Wage Schedule.

Up to \$5,000.99	1 written quote from vendor to be obtained by the department
\$5,001.00 - \$34,999.99	3 written quotes from vendors to be obtained by the department to review and make a recommendation. County Administrator must approve prior to award.
\$35,000.00 & over	Competitive Sealed Bid per GML 103

**WHEN SERVICES ARE NEEDED AND COMPETITIVE BIDDING IS NOT REQUIRED**

Example: Professional Services

Up to \$5,000.99	Department negotiates pricing with one company.
\$5,001.00 - \$19,999.99	Department obtains three proposals and negotiates pricing with the desired company.
\$20,000.00 & over	Process to be determined by the County Administrator and County Attorney. Determination will be made if a formal Request for Proposal (RFP) is required.

## PURCHASING POLICY AND CONTROL

1. Purchasing will be responsible for developing and administering the Purchasing Policy and Program.
2. Purchase contracts for materials, equipment and supplies involving an estimated annual expenditure by the County, of more than \$20,000 and public works contracts involving more than \$35,000 will be awarded only after public advertising soliciting formal bids (Section 103 of the General Municipal Law.)
3. All bid packages for competitive bidding will be prepared by Purchasing unless the Department receives approval from Purchasing to prepare their own documents. All bids prepared by a department must be sent to Purchasing and the County Attorney for review and final approval prior to advertising for bidding. The requesting departments are to submit the necessary information as outlined in the competitive bidding section of this policy.
4. All requests to purchase any technology related equipment; software or services must be approved by the Director of Information and Technology The department is to attach the quote and any other required documentation in the ERP system when requesting a Purchase Order.
5. The Purchasing procedures employed will comply with all applicable laws and regulations of the State and County.
6. Opportunity will be provided to all responsible suppliers to do business with the County.
7. All contracts that require public advertising and competitive bidding will be awarded as provided by law and this policy.
8. No official or employee will be interested financially in any contract entered into by the local government as defined in Article 18 of the General Municipal Law. This also precludes acceptance of gratuities, financial or otherwise, by the above persons, from any supplier or materials or services to the County.
9. The County of Livingston will not be deemed responsible for commitments made circumventing these procedures.
10. The Livingston County Purchasing department is hereby authorized to make all purchases of necessary goods and services by any means legal within the State of New York and within all applicable rules and regulations and in the best interest of the taxpayers of Livingston County.
11. Pursuant to Chapter 402 of the Laws of 2007, effective January 1, 2009 the following are responsible for purchasing decisions:
  - a. Livingston County Department Heads or designee enter the request for a Purchase Order into the New World ERP system and approved at the department level
  - b. All Purchase Orders are approved by Ashley Scutt, Purchasing Director/Administrative Assistant.
  - c. Ian M. Coyle, County Administrator, or person authorized by the County Administrator, approves as needed.

## EXCEPTIONS TO PURCHASING SYSTEM

The following purchases may be made without a purchase order:

1. All single purchases less than \$1,000.00. Purchasing Department can be used as a resource in securing the items with a cost under \$1,000.00.
2. Utility bills.
3. Service contracts for maintenance and repair of equipment.
4. Monthly or annual rental or lease fees.
5. Interdepartmental Charges: the interdepartmental charge back services are the means by which the County departments are able to charge other County departments for services rendered and/or goods or supplies.
6. Medical examinations.
7. Legal Notices - a proof of publication should be attached to the County Voucher when submitted for payment.
8. Postage meter and stamp costs.
9. Subscriptions, valid membership's dues, books and videos. Department Head's must approve the subscription prior to ordering. The request must include documentation indicating:
  - a) The actual benefit derived by the County and individual from the subscription or membership.
  - b) Why the subscription or membership should be charged against the County rather than being a personal charge.
10. Mileage, Travel and Conference Reimbursement. A Travel Request and Authorization form approved by the County Administrator must be attached to the County Voucher when submitted for payment.
11. Reimbursement of petty cash funds. The custodian of the petty cash fund will request replenishment of the fund in advance of its depletion. Request for replenishment of the petty cash fund shall be submitted to the County Auditor for payment.
12. All other expenses to considered as an exception will be reviewed by the County Administrator on an individual basis.

## **PREFERRED SOURCE PURCHASES**

Pursuant to New York State Finance Law, Section 162, governmental municipalities are required to purchase commodities and services available from certain organizations which are designated by the State of New York as Preferred Source Vendors. **Purchase of commodities and services when available in the form, function and utility** required by the political subdivision, are required to be made through these preferred sources.

The organizations designated by the State of New York are:

### **NYS Preferred Source Program for People Who Are Blind (NYSPSP)**

<http://www.nyspsp.org/>

### **CORCRAFT**

New York State Department of Correctional Services

Division of Industries (Corcraft)

<http://www.corcraft.org/>

### **New York State Industries for the Disabled, Inc. (NYSID)**

<http://www.nysid.org/>

### **Examples of Commodities available:**

Furniture, cleaning products, medical supplies, drug test kits, office supplies, personal care products, safety supplies, apparel, linens, printed apparel, flags and poles, food service items, janitorial supplies

### **Examples of Services available:**

Carpet cleaning, data imaging services, electronics recycling, furniture repair and re-upholstery, janitorial, laundry, mail services, microfilm conversion, document destruction

### **Complete list of Preferred Source Offerings:**

[https://ogs.ny.gov/system/files/documents/2020/05/the-list-of-preferred-source-offerings\\_0.pdf](https://ogs.ny.gov/system/files/documents/2020/05/the-list-of-preferred-source-offerings_0.pdf)



## SOLE SOURCE & SINGLE SOURCE

Competitive Bidding is not required under section 103 of the General Municipal law in those limited situations when there is only one possible source from which to procure goods and services required in the public interest such as in the case of certain patented goods or services.

A Sole Source procurement is one in which only one vendor can supply the commodities, technology and/or perform the services required by an agency. It can be a manufacturer, software developer or service provider that sells direct and there are no other sources offering an "or equal". Prior to a vendor being considered, a sole source letter from the manufacturer must be on file with Purchasing detailing their sole source status. Procurement by this method must be documented by an explanation of: (i) the unique nature of the requirement; (ii) the basis upon which it was determined that there is only one known vendor able to meet the need, i.e., the steps taken to identify potential competitors; and (iii) the basis upon which the agency determined the cost to be reasonable, i.e., a "fair market price" that could be anticipated had normal competitive conditions existed, and how that conclusion was reached.

A **single source** could be a distributor/wholesaler/retailer that has a contractual agreement for a specific territory to the exclusion of others. Should you have a situation involving a single source supplier, a letter on the manufacturer's letterhead must be on file with Purchasing confirming the single source authorized vendor.

### Commodities

- Is available from only one source (e.g., proprietary to a manufacturer, distributor, and/or reseller, etc.).
- Is the only brand that meets the qualifications or specifications of the end user.
- Is a brand that must match or is compatible with an existing system, and cannot be substituted without replacing the system, resulting in significant costs to the County.
- If purchased, will avoid other costs (e.g., data conversion, training, purchase of additional hardware).
- Is needed on an emergency basis, and time does not permit a solicitation.

### Consulting Services:

- No other vendor offers a service or employs personnel meeting the minimum requirements.
- The department's required time frame for project completion is critical and cannot be exceeded without extreme hardship.
- The cost to continue with the same consultant is less than the cost for any other consultant due to the time necessary to get up to speed (learning curve) with the project.
- A unique and proprietary solution has been offered which is determined to be in the best interest of the County.

The department must request approval for the sole source determination from Purchasing. The request may be reviewed with the County Administrator and/or County Attorney for final approval.

## STANDARDIZATION

Section 103 of the General Municipal Law makes it possible for the County to standardize on a particular type of material or equipment. The standardization resolution must be approved by at least two-thirds of all Board members, and must state that for reasons of efficiency or economy there is a need for standardization. The resolution will contain a full explanation supporting such action.

**The adoption of such a resolution does not eliminate the necessity for conformance to the competitive bidding requirements.**

**Standardization, as the word implies, restricts a purchase to a specific model or type of equipment or supply, but does not limit the vendors it can be purchased from.**

**\*\*SOLE SOURCE purchases and the use of STANDARDIZATION should be reviewed annually on a case by case basis to be sure the original justifications still exist.\*\***

**AUTHORIZING THE USE OF BEST VALUE AWARD METHODOLOGY  
IN THE COMPETITIVE BIDDING PROCESS**

**(Adoption of Local Law No. 2-2015)**

As authorized by New York General Municipal Law 103, purchase contracts (including contracts for service work, but excluding any purchase contracts necessary for the completion of a public works contract pursuant to article eight of the Labor Law) may be awarded on the basis of best value, as defined in section 163 of the State Finance Law and as authorized in section 103 of the General Municipal Law, to a responsive and responsible offeror. When the bid specifications state that the bid will be awarded on the basis of "best value," the specifications will also include the criteria that will be used to award the bid. In assessing best value when awarding the purchase contract, non-price factors can be considered. Non-price factors can include, but are not limited to, environmental benefits, energy efficiency, reliability of a product, efficiency of operation, difficulty/ease of maintenance, useful lifespan, ability to meet needs regarding timeliness of performance, and experience of a service provider with similar contracts. The basis for a best value award, however, must reflect, whenever possible, objective and quantifiable analysis. Such basis may also identify a quantitative factor for offerors that are small businesses or certified minority- or women-owned business enterprises as defined in subdivisions one, seven, fifteen and twenty of section 310 of the Executive Law.

If a department determines it is in the best interest of the County to award based on Best Value, the use of awarding by Best Value must be approved by the County Administrator and County Attorney prior to any bid documents issued to prospective bidders. The County's intention to award by Best Value must be clearly explained in the bid specifications.

Factors that may be used to enact the "best value" option, where cost efficiency over time to award the good(s) or services(s) to other than the lowest bidder are:

1. Lowest cost of maintenance for good(s) or service(s)
2. Durability of good(s) or service(s)
3. Higher quality of good(s) or service(s)
4. Longer product life of good(s) or service(s)

**PURCHASES FROM COOPERATIVE CONTRACTS**

Many vendors that we currently do business with are able to offer pricing from contracts awarded by a **National Purchasing Cooperative**. These contracts are similar to a contract awarded by the State (OGS) or County. Use of these contracts does not require additional quotes to be obtained.

Examples of Cooperative contracts Livingston County has used: Autozone, B & H Photo, HON Company, Gunlocke, Fastenal, Bob Barker, Grainger, Toshiba, Elevator Inspection, MSC, Sherwin-Williams, Advance Auto Parts, Graybar, Home Depot, Amazon Business, Dell, Kronos, Staples, Tires, Highway equipment

**Cooperatives that have been used by Livingston County:** Sourcewell, NCPA, NASPO ValuePoint, OMNIA Partners National Contract (*formerly NIPA, TCPN and US Communities*)

**Prior to accepting pricing and making a purchase from a vendor offering pricing from a Cooperative Contract, approval to use the contract must be obtained from Purchasing and/or the County Attorney. The Cooperative and the Contract they are offering pricing from will be reviewed and approval will be given to use the contract if the contract meets the requirements of GML.**

**The criterion used to determine if the contract meets the requirements is outlined on the following page. This form is to be completed by the department with the help of Purchasing.**

**JUSTIFICATION FOR UTILIZING A COOPERATIVE CONTRACT**

Cooperative or Lead Agency \_\_\_\_\_

Contract No. \_\_\_\_\_ **Contract Term:** \_\_\_\_\_

Vendor(s) Name(s) \_\_\_\_\_

We have reviewed and completed due diligence on the aforementioned cooperative contract. As part of the due diligence review, we have confirmed that the contract complies substantially with our procurement rules and practices. We have further confirmed that all purchases will comply with the terms and prices in the contract. It has been determined that it is in the best interests of our entity to utilize this contract for the reasons cited below:

Issue	Procurement Consideration
<b>New York State Considerations:</b>	
1. Was the contract let by the United States or any agency thereof, any state or any other political subdivision or district therein?	
2. Was the contract made available for use by other governmental entities?	
3. Was the contract let in a manner that constitutes competitive bidding "consistent with state law?"	
4. Was there a public solicitation of bids consistent with GML 103.5 and serves to ensure that the purposes of GML 103 are furthered?	
5. Was the submission of sealed bids, or analogous procedure, done in a manner to secure and preserve the integrity of the process and confidentiality of the bids submitted?	
6. Was the preparation of bid specifications, or a similar document that provides a common standard for bidders to compete fairly?	
7. Was the award to the lowest bidder who materially or substantially meets the bid specifications and is determined to be a responsible bidder?	
<b>General Considerations:</b>	
8. Do the terms, conditions and scope of work/specifications meet the need?	
9. If no, are the terms, conditions and scope of work/specifications negotiable?	
10. Does the cooperative contract provide the most advantageous solution? Why? (prices, quality, performance, timing, terms, etc.)	
11. Will any and all purchases comply with the terms and prices in the contract?	
12. Will volume-pricing advantages be applied to purchases?	
13. Was past experience with the cooperative or lead agency acceptable?	
14. Contract Term? How many years is it into its contract term?	

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Department Approval

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Administrative Assistant/Purchasing

## **PURCHASE OF VEHICLES AND EQUIPMENT**

The purchase of any vehicle or equipment, in excess of \$20,000.00, regardless of the source it is being acquired from, must be approved by the Department's Home Committee and then the Ways and Means Committee, prior to the Department taking ownership of the vehicle or equipment. The Board resolution number must be referenced when creating the purchase order.

The County Administrator has authority to approve vehicle purchases under \$10,000 that will be used for the purposes of confidential drug task force efforts, provided that said purchases are either:

- Purchased at a municipal auction
- Purchased in the private marketplace upon the collection of three written quotes

Vehicles are to be purchased by one of the following methods:

- Bids awarded by another municipality for the exact same vehicle
- By issuing our own bid document
- An awarded OGS contract
- The OGS Vehicle Marketplace

### **Benefits of Using the OGS Vehicle Marketplace:**

- Allows the end user to specify the exact vehicle that meets their needs.
- OGS posts our requirements on the Vehicle Marketplace site and all dealers that have registered and been approved as an authorized dealer will be notified of our request for a particular vehicle. Any dealer can register at any time to be included in the bid process to sell to Livingston County or any other municipality.
- Bids are received by the County in approximately 10 days from the date of our request for a "mini-bid" to be issued on our behalf.

<https://vehicles.nyspro.ogs.ny.gov/>

## EMERGENCY PURCHASES / CONFIRMING PURCHASE ORDERS

1. DEFINITION: To provide a purchase order number in cases where necessity for immediate action exists.

**Emergency Purchase** - General Municipal Law Section 103 (4) clearly states, "in case of a public emergency arising out of an accident or other unforeseen occurrence or condition whereby circumstances affecting public buildings, public property or the life, health, safety or property of the inhabitants require immediate action which cannot await competitive bidding, contracts for public work or the purchase of supplies may be let by the appropriate officer, board or agency."

2. PROCEDURE: When a department has an urgent situation, the following procedures will be followed:
  - a. Prior to calling the Purchasing Department, the department should be prepared to supply the following information:
    1. The reason the purchase is urgent.
    2. The department name and budget code.
    3. A complete description and accurate cost of the item to be purchased.
    4. The name and address of the vendor from whom the goods are to be purchased.
  - b. The department will verify the necessary budgetary appropriation.
  - c. Purchasing, in conjunction with the County Administrator, if necessary, will determine if a purchase is in fact urgent.
  - d. If it is determined that an urgent situation does exist the immediate availability of the required goods or services will be given prime consideration in the selection of the vendor.
  - e. The Purchasing Department will verbally approve the purchase of emergency orders.
  - f. The ordering department will request a Purchase Order through the ERP System and provide the required information. The PO Type is to be marked Confirming and entered into the ERP system as soon as possible.
  - g. The individual who picks up the items from the vendor must obtain an extended invoice containing:
    1. Quantity and description of items purchased.
    2. The unit and total cost.
    3. The purchase order number assigned by the Purchasing Department after confirming order is issued.
    4. Signature of the person receiving the goods.
3. RESPONSIBILITY: The Purchasing Department may not approve a confirming purchase order when the purchase is not justified, where the purchase is being made to circumvent established procedures, or where there is lack of proper planning.

## PURCHASE ORDER PROCEDURES

The request for a Purchase Order to be approved and issued is to be entered into the New World Enterprise Resource Planning (ERP) System. The User Guide's for this system can be found at:

[\\gdfs1\public\ERP\lc\\_manuals](\\gdfs1\public\ERP\lc_manuals)

All required documentation is to be attached to the Purchase Order request in the ERP system.

A Purchase Order will be approved in the ERP system when it has been determined that the request meets the criteria established under the Purchasing Policy Limits and Guidelines set forth previously in this policy.

**All Purchase Order's must be completed, via the A/P process in the User Guide, once goods are received. All P-Card purchases, that require a Purchase Order, must be completed via the Change purchase order process.**

### USE OF COUNTY PURCHASE CARD (P-CARD)

The Current Purchase Card Policy can be found here:

- When obtaining quotes from an on-line source, delivery charge and return policies should be considered in determining if ordering from the vendor is in the best interest of the County and if the order will be placed.
- A Purchase Requisition issued to the vendor must be entered into the system and a Purchase Order number must be issued prior to the order being placed, if the purchase would require a Purchase Order per the Purchasing Policy,
- If an item is found to be the lowest acceptable item available from a vendor that will only accept purchases made on-line, the order can be placed once all necessary approvals are met.
- If the Department does not have a County Purchase card, the Department is to contact the Secretary to the County Administrator for approval to use the County credit card.
- The Department is responsible for entering all transaction information (including PO number if applicable) and account codes in the JPMorgan Website.
- The Department is responsible for completing any associated purchase orders in the ERP financial system. (Please note, each Department must manually complete all P-Card purchase orders via the change PO process, this process is not automatically done. Otherwise, the purchase order will stay open.)

## BLANKET PURCHASE ORDERS

1. **PURPOSE:** To eliminate the necessity for the issuance of separate Purchase Orders for groups of items which are purchased frequently from the same vendor. To permit the department to purchase items of this nature on an "as needed" basis when there is no provision to maintain an inventory.
2. **RESPONSIBILITY:** The amount of the Blanket Order should be based on information available in the records covering previous fiscal years and present departmental needs.

Blanket Orders will be issued for the following circumstances:

- To vendors that Livingston County has entered into a contract with such as annual bids for supplies, State

Contracts or any other type of approved contract.

- To vendors without a contract, for the occasional purchase of such items as may be necessary in the department's day-to-day operations. Items may not be purchased in amounts which meet or exceed the competitive bidding requirements. Requests for blanket orders will be issued on a case-by-case basis and will be rescinded if Purchasing policy limits are exceeded.

3. **FREQUENCY:** Issued as needed to various vendors for purchases of those items considered being of an immediate need or for purposes of consolidating purchases

5. **PREPARATION:** The same as regular purchase orders through the ERP system.

The department **must** keep a record of these purchases made to ensure that they do not exceed the amount allowed by the blanket purchase order. Any over expenditure, depending on the circumstances, may not be approved for payment. If it appears that the amount on the Blanket Purchase Order may not be sufficient to cover the time period allowed Purchasing should be contacted to review and determine if an additional Purchase Order is needed.

**Purchase orders may be issued on a case-by-case basis to cover overages when purchases exceed the amount of the blanket order. A detailed explanation will be required. Continuous overages may not be approved.**

## RECEIPT OF GOODS - DEPARTMENT

Upon receipt of deliveries to County departments and before signing for delivery employees should make an inspection of the goods. If there are any discrepancies or damages noticed at the time of delivery the employee will note these on the delivery slip before signing for and accepting deliveries. This procedure will assist the County from incurring payments for damaged goods and/or goods not actually received.

Upon receipt of goods and/or services by the receiving department, if it is determined that the goods and/or services are not what was initially ordered or not acceptable due to quality or some other reason, every attempt should be made by the Department to resolve the problem with the vendor. In the event that a resolution is not reached, a vendor complaint memo and all documentation should be forwarded to the Purchasing Department for immediate action. Purchasing will work with the ordering department to pursue all avenues to resolve the discrepancies that exist.

A claim submitted to Livingston County's Auditor for payment will qualify when the following conditions are met:

- a. Itemized invoice in sufficient detail for audit
- b. Accompanied by a copy of the purchase order.
- c. Proper budget codes
- d. Proper vendor codes.

As standard business procedure, all County vendors are entitled to prompt payment.

If the County Auditor receives any claims for materials, supplies or services for which a purchase order was not issued and approved, and the funds were not encumbered as per policy, the County Auditor in conjunction with the County Administrator will have the authority to nullify the payment of such claim.



## **COMPETITIVE BIDDING**

### **PURCHASES OF GOODS, EQUIPMENT OR COMMODITIES IN EXCESS OF \$20,000.00**

#### **PUBLIC WORKS IN EXCESS OF \$35,000.00**

General Municipal Law, Section 103 requires purchase contracts (equipment, materials and supplies) exceeding \$20,000.00 (involving an overall expenditure by the County – not per department) and public works contracts (services, labor or construction) exceeding \$35,000.00 be awarded to the lowest responsible, responsive bidder or upon determination of best value, depending on which criteria is in the bid specifications after public advertising requesting submission of sealed bids.

“It is the position of the State Comptroller’s Office that competitive bidding is required when it is known or can be reasonably expected that the aggregate amount to be spent on purchases of the same or similar commodities, or on the same type of, or similar, public work, will exceed the monetary thresholds over the course of a fiscal year.”

If the actual cost of any purchases (\$20,000) or public works projects (\$35,000) are uncertain but suspected to exceed the thresholds, discretion will be used and the bidding procedure will take effect.

The term "Public Works Contract" applies to those items or projects involving labor or both materials and labor. Under Article 8 of the New York State Labor Law, Prevailing Wage Rates apply when a laborer, workman or mechanic is employed. There is no minimum dollar amount. Purchasing will apply for the required Prevailing Wage Rate Schedule.

Requests for bid preparation are to be made directly to the Purchasing department. A minimum of three (3) weeks will be given by the requesting department to allow for the preparation of the bid package and for review by the County Attorney. The following information is required from the requesting department:

- a. Description of the items to be bid.
- b. What is to be included in the specifications.  
(A sample or previously used specifications are to be included whenever available)
- c. Date when requesting department requires the delivery of goods and/or services
- d. List of suggested vendors when available
- e. The adopted budget amount for the goods or services.

All bid packages for competitive bidding will be prepared by Purchasing unless the Department receives approval from Purchasing to prepare their own documents. All bids prepared by a department must be sent to Purchasing and the County Attorney for review and final approval, prior to advertising for bidding. The requesting departments are to submit the necessary information as outlined in the competitive bidding section of this policy

After review and evaluation of the bids by Purchasing, the department representative and in some cases the County Administrator and County Attorney, a recommendation will be made to the Board of Supervisors for award of the bid after the following conditions are met:

- a. Sufficient appropriations within the department's current budget.
- b. The award is made to the lowest responsible bidder meeting specifications.
- c. Rejection of the low bid must be documented and approved by Purchasing, the County Attorney and the County Administrator.

Complete bidding records will be filed in the Office of the County Administrator with the exception of the Highway Department. All Bid documents for the Highway Department are the responsibility of the Highway Department.

# **GUIDELINES WHEN SERVICES ARE NEEDED AND COMPETITIVE BIDDING IS NOT REQUIRED**

## **PROFESSIONAL SERVICES**

Contracts for professional services, which are exempt under the General Municipal Law, Section 103 are not subject to competitive sealed bidding requirements, but are subject to the guidelines of GML 104-b for competitive pricing to be obtained for these services. Professional services and services requiring special or technical skill, training or expertise are not purchase contracts or contracts for public work, as those phrases are used in the bidding statutes and therefore are not subject to competitive bidding procedures. The determination of whether the professional service exception is applicable in given situations must be made on a case-by-case basis, examining the particular services to be acquired.

Generally, professional services involve specialized expertise, use of professional judgment and/or a high degree of creativity. The courts have noted that professional service contracts often involve a relationship of personal trust and confidence. Among the services which have been held to be exempt from competitive bidding under this exception include, but are not limited to, the following: physicians, psychiatrists, psychologists, pharmacists, engineers, surveyors, accounting firms, attorneys, architects, and individuals who supply a service that requires specific training to perform a task that is unique and not readily available from most sources.

### **Procedure when exception applies**

When an exception to competitive bidding applies, such as in emergency or professional service procurement, the courts have generally held that an award must still be made in the best interests of the public. Therefore, in order to ensure that the taxpayers are best served by securing goods and services at the best price obtainable under the circumstances, in a fair and equitable manner, it will be the County's intent to seek competition either through the use of a Request for Proposals or by requesting written or verbal quotations.

A department's decision to obtain services when competitive bidding is not required must be documented and justified to the County Administrator's satisfaction. The County Administrator and/or the County Attorney will determine when the formal Request for Proposal/Qualification process will be used or if quotes or proposals may be obtained from specific vendors/firms.

The information required for approval to request proposals for services that do not require competitive bidding shall include:

- a. A work statement or performance specification
- b. Time frames in which the work is to be completed
- c. Specific criteria to be used in evaluating the proposal

Request for Proposals/Qualifications may be legally advertised in the selected newspapers and posted on the County's website. The decision to advertise will be at the discretion of the County Administrator.

1. Request for Proposals will be issued by Purchasing upon receiving all required documentation and approval from the County Administrator to issue the RFP.
2. The County Administrator with such input as he deems necessary from Purchasing and the Department Head, will evaluate the proposals received for completeness, accuracy and compliance with the RFP requirements.
3. Recommendations will be made by the County Administrator as to which proposals to present

to the appropriate Board committee for review and discussion. Justification as to the decision to present or not present specific proposals will be made as needed.

4. If appropriate, firms will be selected to make a presentation to the County Administrator and committee.
5. A final decision of award will then be made by the appropriate committee in a manner as to assure the prudent and economical use of public moneys in the best interest of the taxpayers, to facilitate the acquisitions of goods and services of maximum quality at the lowest possible cost under the circumstances, and to guard against favoritism, improvidence, extravagance, fraud and corruption.
6. If a contract is awarded to other than the lowest responsible dollar offered, the reason for such award must be justified and documented.

## **INSURANCE**

At the time of this policy approval, Livingston County is a member of the New York Municipal Insurance Reciprocal (NYMIR), a not-for-profit insurance company. Barring recommendations to the contrary by the County Administrator, it is the County's intent to purchase insurance coverage from NYMIR, so long as NYMIR can provide insurance coverage to the County's satisfaction.

## **SECOND HAND EQUIPMENT**

There is a statutory exception to competitive bidding requirements that permits the purchase of surplus and second-hand supplies, materials or equipment without competitive bidding from Federal or State government or from any other political subdivision or public benefit corporation within the State. However, purchases of used items from any other source (e.g. private sources like auctions or going-out-of-business sales) are not exempt from bidding requirements.

## **ANNUAL REVIEW**

The governing board will annually review these policies and procedures. The Purchasing Department will be responsible for conducting an annual review of the procurement policy and for an evaluation of the internal control structure established to ensure compliance with the procurement policy.

## **UNINTENTIONAL FAILURE TO COMPLY**

The unintentional failure to fully comply with the provisions of this General Municipal Law, Section 104-b will not be grounds to void action taken or give rise to a cause of action against the County of Livingston or any officer or employee thereof.

## **CONFLICT OF INTEREST**

No County officer or employee will have an interest in any contract with the County of which he or she is an officer or employee, when such employee has the power or duty to:

1. Negotiate, prepare, authorize or approve a contract or authorize or approve its payment.
2. Audit bills or claims.
3. Appoint an officer or employee who has any of the powers or duties set forth above.

"Contract" in this context refers to any claim, demand against or agreement with the County, either express or implied.

Any County officer or employee who has, will have, or acquires an interest in, any actual or proposed contract with the County of which he or she is an officer or employee, will publicly disclose the nature and extent of such interest in writing to the County Administrator as soon as he or she has knowledge of an actual or prospective interest. This written disclosure will be kept on file.

If any officer or employee had reason to believe that he may have a conflict of interest, the office of the County Attorney should be contacted immediately.

## DISPOSITION OF SURPLUS ITEMS POLICY

**All requests to surplus any items owned by the County are to be made through the Laserfiche system regardless of the value or condition of the property.**

The disposal of obsolete and/or surplus items such as motor vehicles, furniture and office equipment no longer in use by a County Department will be handled in the following manner:

- **Items with a value of \$1,000 or more and a useful life of more than one year** must be declared surplus by Board Resolution. The request to declare surplus will be forwarded from the Laserfiche program to the Clerk of the Board to prepare the resolution.
- **Items considered to have no useful remaining life or a value of under \$1,000** are to be processed through the Laserfiche system. No Resolution is required.
- Every vehicle being declared surplus must have a vehicle condition report completed by the Highway Shop Manager.

Upon the passing of a Board Resolution, Departments will be notified of items declared surplus that may be of use to their department. Towns and Villages may then be notified of the available items not requested for re-use by a County department. A bid document for the Sale of the Surplus Items may be drafted and sent to all Towns and Villages. A minimum bid or reserve may be established for the surplus items and included in the bid documents.

The County Administrator will determine the best way to dispose of all of the remaining items. The items will be disposed of in one of the following ways:

- The items may be offered for sale or donation to other municipalities.
- An advertisement will be placed in the designated newspapers in the form of a legal notice listing the items for sale through a sealed bid process.
- The surplus items will be sold through a public auction.
- The surplus items will be disposed of in an appropriate manner.

**Items that have been declared surplus by resolution can be confirmed by referring to the approved resolutions.**

**SALE OF SCRAP  
Policies and Procedures**

1. **DEPARTMENT RESPONSIBILITIES.** County Departments that produce scrap metals or other materials through normal operations or dispose of "junked" assets and equipment that contain metal or other materials that possess scrap value are responsible for disposing of the materials in a manner which is environmentally responsible and in the best financial interests of Livingston County. Prior to their disposal, all fixed assets must be declared as surplus items according to the Livingston County Purchasing Policy.
2. **FINANCIAL TRACKING.** Any County Department that disposes of scrap materials shall maintain accurate records for all transactions including weight slips, invoices and receipts. County Employees shall not receive cash for any transaction involving the disposal of scrap materials. Scrap processors and vendors shall be required to make payment via check or other electronic transaction directly with the Livingston County Treasurer's Office.
3. **STORAGE OF MATERIALS.** County Departments should deliver scrap materials to processors and vendors as frequently as possible. When the storage or accumulation of scrap materials is required, County Departments shall make every effort to secure and control these items from access by the public or from unauthorized employees.
4. **AUTHORIZED EMPLOYEES.** Each Department Head shall be responsible for designating employees that are authorized to collect, handle and process scrap materials. These employees shall be briefed on scrap materials policies and procedures. Only Authorized Employees shall deliver scrap materials to processors and other vendors. Employees will be required to show employment identification (i.e. County ID Badge) to scrap processors proving they are dealing scrap on behalf of the County of Livingston. Authorized Employees shall also be required to notify the County when disposing of scrap materials under personal or private transactions.

## **VENDOR PROTESTS**

Attempts will be made to be sure bid specifications, terms and conditions are thorough and correct. All appropriate steps will be followed when determining award of a bid package. Even with careful evaluation, vendor protests may be inevitable at some times.

All vendor complaints will be directed to the Purchasing Department.

The following guidelines will be followed when responding to a vendor's protest:

- a. Complaints must be in writing.
- b. Complaints must contain the following information:
  - name, address and telephone number of the protester;
  - the signature of the protester or its representative;
  - identification of the bid package;
  - detailed statement of the legal and factual grounds of the protest, including copies of relevant documents; and
  - form of relief being sought
- c. Complaints must be filed within five days of the recommendation of the award.
- d. When a protest is first received, an immediate attempt will be made to contact the vendor to discuss the issue. The Purchasing department will attempt to provide the protester with a thorough explanation of the evaluation factors.
- e. The Purchasing Department in conjunction with the County Administrator and County Attorney will prepare a written protest decision within five days.

**VENDOR COMPLAINT MEMO**

**(This form is to be completed by the ordering department)**

Date Department

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Contact Person

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Vendor Name

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Items purchased

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Problem Complaint:

Delayed Delivery

Inferior Product

Other

Explanation In Detail:

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Vendor Response And Resolution: (if available)

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Is The Resolution Acceptable To The Department?

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(If no, the completed form is to be sent to Purchasing for review and resolution.)