

# CITY OF WAUCHULA



# PURCHASING POLICY

City Commission Approval 6/10/13

City of Wauchula, Florida

Purchasing Policy

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#### A. Purpose

The purpose of this policy is to establish procedures to ensure the City of Wauchula purchases goods and/or services in the most efficient and economical manner possible.

#### B. Scope

This policy shall apply to all purchases of goods and/or services by the City.

#### C. Ethics

The acceptance of gifts at any time, other than advertising novelties, is prohibited. Employees must not become obligated to any suppliers and shall not conduct any city transactions from which they may personally benefit.

No commissioner or employee shall bid for, enter into or be in any manner interested in any contract for city purchase. Nor shall any commissioner or employee seek to influence the purchase of a product or service from any offeree. This restriction shall not be construed to restrict persons from evaluating and appraising the quality and value of the product to be purchased or service to be rendered where the person's scope of employment contemplates advice and council with respect to the purchase. No commissioner or employee shall receive benefit of any prospective bidders. The avoidance of actual or perceived conflicts of interest is a prime requisite to the efficient and sound operation of the City and maintenance of the public trust.

#### D. Minority Businesses

Minority businesses shall be ensured to have an equitable opportunity to participate in the City's procurement process.

#### E. Purchasing Methods

##### 1. Informal Purchasing

Informal purchasing may be used for the purchase of goods and/or services costing less than \$500. While quotes and bids are not necessary with items costing less than \$500, every effort should be made to ensure goods and/or services are being purchased in the most efficient and cost effective manner possible.

Only designated employees in each department shall be authorized to actually purchase the commodity, after the purchase has been approved. Employees are required to immediately turn in the purchase receipt to his direct supervisor.

##### 2. Verbal Quotes

At least three (3) verbal quotes are necessary to be received by the City in respect to purchases of goods and/or services costing at least \$500, but less than \$5,500. If at least three (3) quotes

are not possible, a written explanation of such shall be included in the vendor payment supporting documentation.

Vendor selection and award shall be based on qualification of the vendor, acceptability of the product, delivery time, inventories, past performance, degree of compliance with requirements, price and other circumstances that will encourage delivery of the best products and services for the money expended.

### 3. Written Quotes

At least three (3) written quotes are necessary to be received by the City in respect to purchases of goods and/or services costing at least \$5,500, but less than \$25,000. If at least three (3) quotes are not possible, a written explanation of such shall be included in the vendor payment supporting documentation.

Vendor selection and award shall be based on qualification of the vendor, acceptability of the product, delivery time, inventories, past performance, degree of compliance with requirements, price and other circumstances that will encourage delivery of the best products and services for the money expended.

### 4. Invitation to Bid

The invitation to Bid method is acceptable for purchases of goods and/or services costing at least \$25,000. This method is typically used when the City is capable of specifically establishing precise specifications defining the actual commodity or contractual service.

The Invitation to Bid may be advertised in newspapers and other appropriate publications. Responses to the invitations to Bid shall be received in a sealed bid format and opened and read aloud at a specific date, time and location.

### 5. Request for Proposal

The request for proposals method is acceptable for the purchase of goods and/or services costing at least \$25,000. This method is used when the City cannot specifically define the scope of work for which the goods and/or service is required for. The vendor provides detailed information in response to the Request for Proposal and usually the purchase results in a contractual agreement. The process does allow for negotiation in the scope of requested services, price and delivery.

The Request for Proposals shall be advertised in the same manner as the Invitation to Bid. The date and time that the Request for Proposals will be received until shall be clearly identified.

## 6. Request for Qualifications

The Request for Qualifications method is used in the acquisition of professional services costing at least \$25,000. Requests for Qualifications proposals primarily indicate information regarding the education and experience background of the proposer. Price is not to be indicated in the proposal. If the Request for Qualifications is for professional architectural, engineering, landscaping architectural or surveying and mapping services, then rules of Chapter 287.055 of the Florida State Statutes shall apply. The Request for Qualifications shall be advertised in the same manner as the Invitation to Bid. The date and time that the Requests for Qualifications will be received until shall be clearly identified.

## 7. Other Governmental Agencies Purchasing Contracts

Competitive selection procedures are waived in the event that the desired goods and/or services may be purchased pursuant to purchase contracts of other governmental agencies to include any political subdivision of the State of Florida or the United States, the United States Federal Services Administration, or cooperative purchasing consisting of a combination of these, when such contracts are the result of a competitive bidding process.

## 8. Sole Source Purchasing

Competitive selection procedures are waived when it is determined and substantiated in writing, after conducting a good faith review of available sources, that there is only one source for the goods and/or services. Price and terms shall be negotiated and a record of the sole source procurement shall be maintained as a public record.

A written justification of the sole source purchase must be approved by the City Manager and accompany the invoice for payment.

## 9. Emergency Purchases

Competitive selection procedures are waived when the normal functioning and operation of the City would be hampered or where property, equipment or life could be endangered through unexpected circumstances by adhering to the usual purchasing procedures.

A written justification of the emergency purchase must be approved by the City Manager and accompany the invoice for payment.

## F. Purchasing Approval Limits

The approval limits for the purchase of goods and/or services is as follows:

<u>Purchase Amount</u>	<u>Approval</u>
Less than \$500	Supervisor
\$500 – \$5,499.99	Department Head

\$ 5,500 - \$24,999

City Manager

\$25,000 or more

City Manager and/or City Commission

## G. Purchasing Process

Any purchase over \$100 will follow the procedure set out below. This procedure is not applicable to monthly recurring expenses or to purchases made with city credit cards.

It is the responsibility of each department to make sure any new vendor has completed the appropriate documentation before any purchase can be placed with the vendor. If the necessary documentation has not been completed, payment will be withheld.

### 1. Requisition Form

A requisition form is required to be completed and submitted to the Purchasing Department for all purchases. The purchasing department or department head places the order for items on the requisition.

### 2. Receipt of Goods

At time of delivery, if visible damage is present, do not open the package and do not accept delivery. If already accepted for delivery, notify your department head so that arrangements can be made to return to the vendor. Upon inspection, contents are verified and the receiver signs and dates the packing slip/receipt of goods. The receipt of goods is then forwarded to the purchasing department.

### 3. Purchase Order

A Purchase Order is required to be completed and submitted to the Finance Department for payment of all purchases. Attached to the purchase order should be the requisition form, receipt of goods and any other documentation required by this policy.

### 4. Invoice

An invoice for purchases is to be submitted to the Finance Department. Attached to the invoice should be the completed purchase order. All invoices must be signed by the appropriate department head. No invoice will be processed for payment unless all requirements of this policy are adhered to.