WESTMORELAND COUNTY

PURCHASING MANUAL

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FORWARD

This Purchasing Manual is issued as recognition of the need for formalized, written policies and procedures to permit effective and efficient performance of Westmoreland County's procurement functions. The contents herein shall serve as the basis for the County's procurement expenditures for materials, supplies, equipment and services. Strict adherence to these policies and procedures shall contribute significantly to the County's efforts to realize its goal of receiving more value for each tax dollar spent. These formal policies and procedures shall strengthen the purchasing operation; since actions relative to effective procurement are included. In addition, this Manual is intended to promote consistent performance by requiring that all procurement actions be conducted within these established guidelines. The end result will be professional performance contributing to the cost-effective use of taxpayer's dollars expended through Westmoreland County's Purchasing operations.

_____
Charles Anderson, Chairman
Board of County Commissioners

_____
Tyler Courtney, Commissioner

_____
Ted Kopas, Commissioner

_____
Vera Spina, Chief Clerk

_____
Date

INTRODUCTION

Westmoreland County Purchasing Department is responsible for the commitment of several millions of taxpayers' dollars annually and must be controlled by effective policies and procedures. These policies and procedures are designed to be used as a guideline for Purchasing personnel and all other personnel within the County. The Purchasing Department's scope of procurement covers all materials, supplies, equipment and service operating requirements within the County. In addition, written policies and procedures may be communicated to suppliers and the public so that they are made fully aware of the Purchasing Department's operating guidelines. Finally, a formal manual promotes public understanding of how a significant portion of tax dollars are spent.

"NOTICE"

This document's primary use is to act as a guideline for County employees.

This document is not a contract, nor will it become part of any existing or future contract. Individuals or entities doing business or planning to do business with the County should not rely upon this document, but rather should look to the instructions, specifications, or other contract documents in connection with that particular contract.

This document supersedes and replaces any and all previous Purchasing procedures and policies.

The organization of this manual is such that the contents of distributed manuals may be varied so that those receiving copies will have pertinent information only.

All sections are numbered in sequence to simplify required amendments. In addition, the heading of each page is designed to identify section, page number and the effective date. The manual shall be kept current through periodic reviews. All other operating departments may also recommend changes as needed.

These recommendations shall become official changes only with the concurrence and approval of the Purchasing Department and the County Commissioners. The Purchasing Department and those to whom a copy of the Manual has been assigned shall maintain a record of changes. When changes are issued, the revised page(s) shall be inserted and the superseded page(s) filed at the back of the Manual. The Purchasing Department shall retain a master file of those receiving Manuals to assure that changes are properly distributed.

Section 1.00 - Purchasing Objectives

It is important that the Purchasing Department establish clear objectives with which to work. Establishing objectives will enable the Purchasing Department to obtain a better value for each tax dollar spent. The general objectives of the Westmoreland County Purchasing Department are summarized as follows:

A. To purchase supplies, material, equipment and services at the lowest overall cost to the County. Determination will be made by combining the criteria of price, quality and services.
B. Develop and maintain an online inventory which indicates current availability of stock supplies.
C. Pursue cost-reductions where possible.
D. To minimize inventory of purchased materials while providing adequate materials to user departments to permit performance of assigned services.
E. To maintain staff of highly qualified purchasing personnel.
F. Support strong vendor relationships and an open-door policy to all vendors, both current and potential. This in turn may enable them to furnish information, supplies, materials, equipment or services that could encourage cost savings for the County.
G. Perform purchasing activities in such a manner as to create a favorable public image for the County.
H. Prompt disposal of surplus materials, supplies and equipment after full consideration of requirements that best benefit the County.

Section 2.00 - Purchasing Policies

GENERAL

The Purchasing Policies discussed in this section include vendor contracts, correspondence, authority to challenge specifications, shipments, rental or lease of equipment, capital improvements, contracts and operating expenses. In addition, the authority and responsibility for purchases are defined.

2.01 PURCHASING AUTHORITY AND RESPONSIBILITY

The Purchasing Department, under the supervision of the Board of County Commissioners, has the sole authority and responsibility to purchase the County's needs in terms of supplies, materials, equipment and certain services. All purchases of such items must be made through or in coordination with the Purchasing Department. Other County departments, whether under the Board of County Commissioners or other elected officials, shall have no authority to obligate the County for purchases not made through the Purchasing Department.

The Purchasing Department should have knowledge of any construction contracts and consulting service agreements.

A. Vendor Contracts

All correspondence and contracts which departments desire with vendors shall be coordinated through the Purchasing Department. User department's requests for all product information and pricing shall likewise originate through the Purchasing Department. The Purchasing Department shall arrange meetings with suppliers either by telephone, email, or fax in which a representative of the Purchasing Department will attend if needed. If it is not possible for Purchasing staff to attend in the user departments meeting with the vendor, it is important that the essence of all such meetings be communicated in writing to the Purchasing Department. All vendors having interest in County business shall make their contacts through the Purchasing Department who will refer them to the user departments. If vendors establish contact directly with the user department without the prior approval of the Purchasing Department, said department shall refer the vendor to the Purchasing Department.

B. Authority to Challenge Specifications

The Purchasing Department retains the authority and responsibility to challenge the user department's specifications of commodities being requested for purchase. This challenge shall be based on the following criteria:

1) The specifications do not contain sufficient information to permit the Purchasing Department to obtain meaningful proposals from suppliers.
2) The specification limits the source of supply to a single source, thereby precluding maximum competitive bidding.
3) Appropriate specifications for intended purpose.
4) Lack of budget authorization for commodities being requested for purchase.

2.02 OVER AND UNDER SHIPMENTS

All vendors shall be guided by the following criteria when delivering commodities to County facilities.

A. For printed matter, a 10% variance from the order quantity is permitted.
B. For items in which the unit measure is pounds or tons, a 5 % variance from the order quantity is permitted.
C. For items measured individually (i.e. each, dozen, gross) a variance from the order quantity is not permitted. In these cases the vendor must ship only the quantity ordered.

In any instance where the vendor shall ship quantities in excess of these guidelines, Westmoreland County reserves the right to return either the entire shipment or the excess over the order quantity at the vendor's expense.

2.03 PARTIAL SHIPMENTS

Partial shipments shall be acceptable at County discretion. Partial payments of invoices, however, will not be made unless the County has an approved partial payment schedule. Final payment will be made when the order or service is complete.

2.04 OPERATING EXPENSES

The Purchasing Department shall not be responsible for items such as utilities, memberships, seminar and travel expenses.

2.05 CAPITAL IMPROVEMENTS AND CONTRACTS

The Purchasing Department shall not have responsibility for these type transactions. All such actions and contract negotiations shall be the responsibility of the operating departments involved. However, the Purchasing Department should be informed of transactions related to these types of expenditures.

2.06 RENTALS AND LEASES OF EQUIPMENT

Requests for rentals and leases (i.e. office equipment, fleet vehicles) shall be made through or in conjunction with the Purchasing Department. These agreements shall be made through the normal request for equipment purchase procedures.

2.07 TECHNICAL PURCHASES

Technical purchases are defined as a product that requires knowledge through education or experience in order to properly discuss the potential value. The user departments may be permitted to contact vendors to develop proper specifications for a given product or service. Prior to contacting a vendor for product information, the department is responsible for notifying the Purchasing Department. Permission from the Purchasing Department is necessary before opening communications with potential vendors. Once bids are obtained, they must be submitted to the Purchasing Department for approval. No user department is permitted to make any purchase of a general or technical nature; the Purchasing Department will complete all transactions once all standards have been met in accordance with the County Code. Products that exceed $19,400.00 must be bid in a sealed process, $10,500.00—$19,400.00 must obtain three quotes in accordance with the County Code. Annual review of thresholds for quotes and bids will be performed by the Pennsylvania Department of Labor and Industry and adjusted accordingly.

Section 3.00 - Organization & Function

3.01 FUNCTIONS

The County's Purchasing Department is responsible for the normal day-to-day purchases of materials, supplies, services and equipment as requested by user departments, the associated activities of order preparations and expediting requests. Also involved are the following related functions:

A. Specification and review
B. Price and cost analysis
C. Vendor evaluations
D. Commodity cataloging
E. Cooperative buying (especially participation in state contracts)
F. Vendor qualification
G. Vendor performance evaluation
H. Statistical data accumulation
I. Salvaged and surplus goods disposal

Section 4.00 - Statutory Guidelines

Westmoreland County's procurement activities regarding conditions for which advertised bidding is required and contract awards are governed by the County Code, Sections 1801-1807 (16 P.S. § 1801-1807) of Purdons' Pennsylvania Statutes Annotated. The Controller's Office shall assure that these statutory guidelines are on file for ready reference. In addition, both the Purchasing Department the Controller's Office shall stay abreast of all court and administrative decisions which have an impact on these provisions of the County Code. All such information shall emanate from the Office of the County Solicitor.

Section 5.00 - Purchasing Practices

GENERAL

Westmoreland County's Purchasing Department functions shall use, to the maximum extent possible, competitive bidding practices in the expenditures of the County's procurement funds. In addition to the advertising requirements for expenditures in excess of $19,400.00, and three quotes for $10,500.00—$19,400.00 as required by Pennsylvania Statutes, the Purchasing function shall also encourage competitive pricing for requirements which fall below the minimum dollar value set by the statutes. The establishment of a bidders list shall be maintained for formal and informal procurement.

The Purchasing Department shall consolidate requirements to the maximum extent possible to take full advantage of the County's purchasing power. This means that advertised requests for bid, contracts and purchase orders shall be used as extensively as possible to satisfy County requirements and objectives. It is illegal to split requirements for the purpose of avoiding advertised bid requirements as specified by the Statutes.

The Purchasing Department reserves the right to recommend that the Board of County Commissioners reject any or all bids received from suppliers. In addition, if there are no rebids received in response to an advertised bid request, the Purchasing Department reserves the right to proceed to make the needed purchases in accordance with the County Code.

This section discusses the types of bid requests used by the County; bid processing, awards criteria and cooperative purchasing.

5.01 TYPES OF PRICING REQUESTS

Two types of pricing requests are used by the County – formal bid and informal quote. Formal bid requests are those for which transactions are in excess of the statutory minimum of $19,400.00. Informal quote requests are required for transactions that exceed $10,500.00 but do not exceed the statutory minimum of $19,400.00.

A. Formal Bid Requests

Formal bids are used for transactions exceeding $19,400.00. The procedure for advertising is as specified under the state statute (see Section 4.00 of this manual). In addition, bid requests are solicited from those responding to the advertisement and the Controller shall have sufficient copies of the bid request package available. Bid request documents must be available on the date the first advertisement is published. The bid request package shall contain:

1) Specification describing requirements
2) Proposal forms on which bidders are to submit bids
3) Instructions for bidders

Formal bid requests apply to non-recurring requirements of user departments, which provide the Purchasing Department with a requisition and a copy of the applicable specification detailing the requirement. Formal bid requests also apply to recurring requirements for items which are used repetitively. These requirements, and the specifications, shall be jointly determined by the Purchasing and user departments.

The bidding requirements will not be evaded by piece-mealing for the purpose of obtaining prices not exceeding $19,400.00. It is illegal to make a series of purchases or contracts each for less than the advertising requirement price that should be combined as business practice.

B. Informal Quote Requests

These requests take the form of quotes which buyers may send to vendors on the bidders list or other vendors which are deemed to be qualified to satisfy a particular requirement. Informal quote requests must be used in all transactions where the values are more than $10,500.00, but do not exceed $19,400.00, for which formal bid requests are required. Generally, informal quotes may be used for transactions for which contracts do not exist. All purchases not exceeding $19,400.00 and greater than $10,500.00 shall have a minimum of three written price quotes. A copy of all such quotes and all written contracts shall be filed in the Controller's Office.

The County is required to solicit written price quotations from all vendors on the bidders list and other qualified vendors. In the event that there are less than three (3) qualified vendors from which to obtain quotes, the requesting department or the Purchasing Department shall submit a memorandum to the Controller's Office demonstrating that fewer than three (3) qualified vendors exist in the market area.

The Purchasing Department shall solicit quotes from all qualified vendors requesting that a written, detailed quote be submitted to the Purchasing Department by a specified date. The quotes will be treated like formal bid requests in that price quotes shall remain undisclosed prior to the deadline for receipt and review of quotes.

The Purchasing Department shall maintain a list of all vendors to whom a request for quote was sent and maintain each vendor's quoted price or that the vendor declined to submit a quote. The Purchasing Department shall forward a copy of the quotes obtained and a detailed summary of vendors solicited that did not respond or submitted a "no quote" for purchases made in excess of $10,300.00 to the Controller's Office for review prior to payment being made for that purchase.

In the event of an unanticipated emergency situation, when it is necessary to obtain verbal price quotations, the Purchasing Department shall contact all available vendors. The Purchasing Department shall keep a written record of verbal price quotations which should contain at least the date of the quotation, name of the vendor, vendor's representative and the scope of the project. In addition, the County Solicitor must be notified of a declaration of an emergency and before authorization for any vendor providing goods or services. The Board of Commissioners has sole authority for declaring an emergency purchase. This declaration must be formalized at a public meeting.

Verbal quotes will not be disclosed prior to vendor determination. Written price quotations, written records of verbal price quotation and memoranda shall be retained for a period of seven (7) years.

For all purchases not exceeding $10,500.00, the County shall obtain quotes where practicable.

5.02 BID PROCESSING

This section discusses actions required in the processing of formal bid requests including distribution of bid requests, submission of bids from vendors, bid openings, and the handling of late bids.

A. Distribution of Bid Specifications

The Controller shall make bid specifications available to those vendors on the bidders list. Bid specifications are available to vendors responding to advertisements in person or online. Bid specifications must be made available on the day that advertised requests for bids are first published.

B. Submission of Bids from Vendors

Vendors shall submit their bids in accordance with the instructions in the advertisement. All bids must be sealed, submitted to the Controller's Office, and meet the published date and time deadlines. The Controller's Office dates and time stamps all bids when received, which remain sealed until scheduled bid opening.

C. Bid Opening

All bids received by the County, which are submitted in accordance with the instructions specified in the advertisement, shall be opened on the date, time and location stated in the advertisement. The Board of County Commissioners, or a duly authorized representative of the Board of County Commissioners, shall open all bids. Representatives of the Controller's Office and Solicitor's Office shall likewise be in attendance. All bids shall be read aloud and a record of contents of each bid compiled.

D. Late Bids

Bids which are received after the date and / or time deadlines specified in the advertisement shall be returned to the bidders unopened with a cover letter, from the Controller, explaining why such bids are being returned.

5.03 AWARDS

Upon the recommendation of the requesting department and the Purchasing Department, the Board of the County Commissioners has sole responsibility for awarding contracts. This section discusses the mandated requirements of awarding contracts to the lowest responsible bidder, when awards are issued to vendors other than the lowest responsible bidder and how equal low bids are handled.

A. Lowest Responsible and Responsive Bidder

The lowest responsible bidder is defined as the vendor whose offer represents the lowest overall cost to the County while meeting all specifications of the bid package. The Purchasing Department and the requesting department shall determine responsiveness in terms of specifications. The County awards contracts to the lowest responsible and responsive bidder as mandated in the State of Pennsylvania's County Code. An award shall be made within the time limit for which the bids are effective. The successful bidder(s) shall be notified by an award letter sent by the Westmoreland County Commissioners.

B. Awards to Other than the Lowest Bidder

These instances should be the exception rather than the rule. When it does become necessary to award a contract to a vendor other than the lowest bidder, an award shall be made under the following conditions:

1) The lowest bid does not comply with all the requirements of the bid package.

2) A bid error causes the lowest bid to be withdrawn by the bidder. In all cases where bids are awarded to other than the lowest bidder, complete justification shall be retained in the Purchasing Department and furnished to the Board of County Commissioners.

3) The lowest bidder is not always deemed the most responsible vendor.

C. Equal Low Bids

When there are tie bids equal in all respects (not just in price), the bid shall be awarded by drawing lots representing the equal low bids. The Controller shall arrange a mutually convenient time with the low bidders so the bidders may be present and participate in the drawing if they so desire. The County reserves the right to award the bid to the low bidder who most closely meets or exceeds the specifications if the tie bids are not equal in all respects.

5.04 COOPERATIVE PURCHASING

A. Purchasing Under State Contracts

Westmoreland County shall make purchases from contracts including, but not limited to; State contracts, COSTARS contracts, GSA and US Communities contracts which have been negotiated to take advantage of cost-savings efforts from these governmental purchasing organizations.

1) The Controller shall maintain a master file of County contracts for reference by buying personnel. Each time a purchase order is issued to a supplier for an item covered by a County contract, the contract number shall be referenced on the purchase order so that the supplier is alerted to the fact that the provisions of the awarded contract govern the purchase.

2) When the Purchasing Department researches the state contract listing for specific items from the Commonwealth of Pennsylvania's Department of General Services website, the appropriate buyer shall designate those vendors in whom the County is interested. From the listing of approved vendors, the Purchasing Department shall contact multiple potential vendors regarding the negotiated contracts. In addition, a Westmoreland County contract number must be assigned to the state contract for County financial purposes. This number is issued by the Controller's Office.

Section 6.00 - Quality

GENERAL

This section defines and determines the quality of commodities procured by the Purchasing Department. Inherent in the discussion of quality is the development of specifications for use in soliciting bids and making contract awards.

6.01 DEFINITION

Quality is defined as meeting the needs of the user department while minimizing costs to the County.

6.02 SPECIFICATIONS

Written specifications shall be the principal means of determining quality requirements for purchases to maximize competition. The use of brand names and the "or equal" provisions are limited to those instances where the purchase quantity is limited and non-repetitive, where lead time is so short as to preclude the development of generic specifications or where an industry-wide level of quality is implied by the brand name. Brand names, as the basis for specifications, shall likewise be limited to those instances where actual performance tests conclude that only the specific brand name referenced is capable of performing the function required to establish a range of quality, or for the purchase of commodities to be used for conducting performance tests.

A. Responsibility

User departments, Solicitor's Office and the Purchasing Department shall cooperate to the fullest in the development and review of specifications. The user will assure that the specifications reflect all information necessary to fulfill the user's operational requirements. The Solicitor's Office shall ensure specifications meet the legal requirements. The Purchasing Department shall assure that the specifications are written to promote maximum competition. The Purchasing Department has the responsibility of supplying current product information to the user departments. Where feasible, the Purchasing Department shall arrange for pre-bid conferences between vendors and requesting departments to make suppliers fully aware of the County's requirements. Various sources will be used as the basis upon which specifications are developed.

B. Specification Review

The Purchasing Department, in cooperation with the user department and County Solicitor should review specifications to determine the following:

1) That more than one vendor can supply the commodity covered under the specification to maximize competition.
2) That the specifications are clearly written.
3) That items which have been purchased as standard items are not now considered specialty items by the vendor, thus increasing costs.
4) That specifications do not include unnecessary details, which may increase costs or create an availability problem.
5) That new technology has not rendered the existing specifications obsolete.

Section 7.00 - Receiving and Inspection

GENERAL

Personnel at each County location will be responsible for receiving, recording and inspecting all commodities delivered.

7.01 RECEIPT AND INSPECTION

Through a visual inspection, it shall be determined that commodities are received in good order and are not broken or degraded in any fashion. If special testing is required in the inspection process to determine the acceptability, such testing shall be made only through a request to the Purchasing Department.

The user department, upon receipt and acceptance of commodities, signs and dates their purchase order copy that is used as the official "receipt of material" document. The "receipt of material" document shall not be signed if material is unacceptable as determined by user department personnel.

7.02 REJECTION

If upon receipt the user department determines that the material is unacceptable, the Purchasing Department shall be notified in writing as to the reason for non-acceptance. The Purchasing Department shall notify the vendor of the discrepancy and arrange for a replacement. All materials deemed unacceptable due to vendor error shall be returned at the vendor's expense.

Section 8.00 - Determining Proper Price

GENERAL

Many factors other than unit price shall be used by Purchasing Department personnel to determine the lowest total cost to the County of bids received. Factors such as discounts, shipping costs and personnel costs are also taken into consideration.

The Purchasing Department is responsible for the maintaining pricing files for future reference.

8.01 PRICE KNOWLEDGE

The Purchasing Department is responsible for researching pricing trends to determine any information which may result in savings to the County.

8.02 COST / PRICE RELATIONSHIP

Competitive bidding is used as the basis for contract awards. Buying personnel shall conduct, where possible, cost/price analysis to determine the fairness of bids received. Where such analysis indicates that lower prices may be possible, the transaction may, at the discretion of the Board of County Commissioners, be re-advertised for new bid proposals. The Board of County Commissioners must reject all bids before the applicable County requirement may be re-advertised. Likewise, the Board of County Commissioners shall be provided sufficient justification for bid rejection.

8.03 BID EVALUATION

Bid evaluations shall take into consideration the total cost of bid proposals to the County. Price alone should not be the sole determining factor of lowest cost. Freight costs, freight on board (F.O.B.) terms, discounts, delivery quotes and other applicable terms and conditions shall be utilized in determining the lowest possible cost to the County.

Section 9.00 - Ethics & Relations with Vendors

GENERAL

The Purchasing Department has significant responsibility in communicating the County's need for supplies, materials, equipment and services to the business community. It is important that the highest degree of ethics and professionalism guide the conduct of purchasing personnel. All current and potential suppliers shall be treated fairly and with courtesy to promote suppliers and community goodwill.

9.01 SALES REPRESENTATIVES

Sales representatives may call on buying personnel, unannounced or by appointments. In either case, buying personnel shall interview those suppliers' representatives as promptly as possible. If a sales representative has an appointment, the interview should be reasonably expected to begin at the appointed time. Sales representatives shall be given a fair hearing as justified by the needs of the County and the nature of the product. As noted in Section 2.00 of the manual, all suppliers' dealings with the County shall be channeled through the Purchasing Department.

9.02 GRATUITIES

Westmoreland County Purchasing employees will not accept gratuities of any sort from suppliers, either current or prospective, (i.e. paid meals, gifts, etc.). Not included would be promotional materials used by suppliers (i.e. pens, pencils, calendars) that are mass distributed.

9.03 SAMPLES

When sample materials are required for evaluation, requests for such samples shall be arranged through the Purchasing Department. It is the responsibility of the appropriate buyer to expedite evaluations so that vendors may be advised of results in a reasonable period of time after submission of samples. The user department shall notify the Purchasing Department, in writing, the results of commodity evaluation. Sample evaluation must relate to the specification requirements.

9.04 ETHICS

The buying personnel of the Purchasing Department shall conduct themselves in the highest ethical manner in carrying out their procurement responsibilities for Westmoreland County. All dealings with suppliers and user departments of the County, which depend on the Purchasing Department to satisfy their commodity needs, must be conducted honestly, fairly, and tactfully. In addition, personnel shall display loyalty to the objectives of the County. In terms of relations with suppliers, the following applies:

A. All information furnished to vendors must be reliable. In no case should misleading information be rendered to suppliers, as this may damage vendor relations.
B. All vendors shall receive equitable and impartial treatment. Information supplied to one vendor shall be supplied to all vendors. If in response to bid requests, a supplier requests and receives additional information for the purpose of clarification, this information shall likewise be provided or made accessible to all vendors who are requested to bid.
C. Reasonable consideration shall be given to suppliers' commodities. Samples shall be expeditiously evaluated. Suppliers shall be honestly advised as to the acceptability of their commodities in terms of how well they fulfill the needs of the County's operating departments.

Section 10.00 - Procedures

10.01 THE REQUISITION

The purchase requisition serves to inform the Purchasing Department as a written request of the needs of the department and to correctly define the material or services requested.

A. WHEN THE REQUISITION IS PREPARED

A requisition should be prepared far enough in advance of when goods or services will be needed, so that the Purchasing Department will have enough time to secure competitive prices and adequate delivery.

B. WHO APPROVES REQUISITIONS

The department head or other authorized personnel authorizes and signs the purchase requisition.

C. HOW TO PREPARE A REQUISITION

A properly processed purchase requisition must contain the following information:

1) Department – The name of the requisitioning department.
2) Suggested Vendor – If a vendor is being recommended, the information should be supplied to the Purchasing Department. Any suggested vendor(s) will be given full consideration.
3) Account Number – The correct account number from which goods or services will be charged.
4) Quantity – Insert the number required, follow with an abbreviation for those materials that need clarification (i.e. dozen (DZ) each (EA) or case (CS)).
5) Commodity Code – All storeroom items have a commodity code. This commodity code number may be obtained from the online inventory issued by the Purchasing Department. All stock items must be ordered through the online purchasing process. Items being purchased from outside vendors must include any manufacturer information, product codes or attached sample with the requisition.

6) Descriptions and Specifications – Give a clear presentation of the item desired as to size, type, grade, color, etc.. Information may be transmitted to the Purchasing Department on a separate sheet attached to the requisition. If the purchase of the commodity requires formal and detailed specifications, the Purchasing Department may require technical assistance from the user agency in preparing the specifications.
7) Department Authorization – To be signed in ink by authorized person. Signature authorization cards are on file in the Purchasing Department.

D. REQUISITIONS FOR SPECIAL ORDERS AND ONLINE INVENTORY PURCHASES

Requisitions shall be processed only for the items that have an unencumbered balance in the budget. Exceptions must be approved by the Financial Administration Department.

E. REQUEST FOR EQUIPMENT PURCHASE FORMS

Request for equipment purchase forms must be completed for all requests that are not considered a general consumable product. Example of exempt items would be computer cartridges, pens, pencils and paper. A request for equipment purchase form is required for all items that were originally granted budget monies for the expenditure or for items currently requesting Commissioner budget approval to acquire. Other instances in which a request for equipment form is necessary include unbudgeted items or services, capital items and any item or service that is using grant money.

10.02 THE PURCHASE ORDER

A purchase order authorizes the seller to ship and invoice materials and services as specified. Purchase orders shall be prepared clearly and concisely to prevent misunderstandings with vendors. The shipping terms are to be included on the purchase order. Once a purchase order has been issued, the funds are encumbered until the expenditure has been completed, at which time the encumbrance is reduced and the expenditure is increased. A properly prepared purchase order is one of the most important documents considered by the Controller's Office in processing vendors demands for payment.

A. WHEN ORDERS ARE ISSUED

Purchase orders will be issued by the Purchasing Department upon receipt of a written requisition signed by authorized department personnel and the appropriate budget approval process has been completed.

B. WHO ISSUED THE ORDER?

Only the Purchasing Department shall issue purchase orders. The buyer shall prepare the purchase order simultaneously or soon after the requisition is received. The user department will not enter into negotiation with any vendor for the purchase of materials, supplies or equipment, except when requested. All purchase orders will be transmitted to the vendor by the Purchasing Department.

C. ROUTING OF ORDER

A standard purchase order is a form used for all purchases. The purchase order is a form containing four copies.

Purchase Order copies are as follows:

1) White – Department Copy

   Sent to the requesting department. This is the requesting department's confirmation of the placement of the order, the successful vendor, the item(s) being purchased and the monies encumbered for this particular order.

2) Yellow – Controller's Receiving Copy
   Given to the requesting department at the time of delivery of the items purchased. Submitted along with invoice to Controller's Office requesting that payment be made to vendor.
3) Pink – Purchasing Receiving Copy
   Acquire signature of recipient of goods as proof of delivery by vendor and delivery Purchasing personnel. Maintained in file in Purchasing Department.
4) Green – File Copy
   Maintained in the Purchasing Department along with all quotes, requisitions and pertinent paperwork relating to that particular order.

10.03 - THE INVOICE

Invoices are an itemized statement of merchandise shipped or services rendered and are a means of guiding the County in the settlement of financial obligations incurred.

An invoice is the vendor's statement of his charges against the County for materials or services rendered. Invoices are based upon the purchase order and should contain the same basic information.

A. WHAT INVOICES SHOULD CONTAIN

1) Purchase order number.
2) Itemized listing of materials or services rendered.
3) Prices, terms, quantities and any other charges contained in the purchase order.

B. WHAT DEPARTMENTS DO WITH INVOICES

Upon completion of delivery and acceptance of material or service, the user department on receipt of invoice will immediately approve and attach the invoice to the Controller's Receiving copy (yellow) and submit to Controller's Office for payment. This will enable the County to take advantage of any time discounts. Departmental approval documents that items were appropriate and received in good condition. If there are any outstanding vendor issues, do not approve the invoice, rather notify the Purchasing Department.

10.04 - CREDITS

A. CREDIT AGAINST AN OPEN PURCHASE ORDER

Credits issued from returned items on an OPEN purchase order will be deducted directly from the open purchase order.

B. CREDIT FROM A PAID PURCHASE ORDER

Credits that are issued after a purchase order is complete will be applied to the next order placed with the issuing vendor. However, in certain instances, it is preferable to receive a refund in lieu of a credit. It will be up to the discretion of Financial Administration and the Purchasing Department to determine the most fiscally responsible alternative for the County.

C. CREDIT FROM TRADED, SCRAPPED OR SOLD GOODS

At times, the value of trading items is higher than that of auctioning, scrapping or discarding; therefore trading items will be considered on a case by case scenario. Items purchased with county funding that are being considered for trade are the property of the county and NOT the requesting department. Credits that are accumulated from auction, scrap or discarded items are to be properly evaluated by Financial Administration and the Purchasing Department before any arrangements are made.

10.05 - CONTRACTED GOODS & SERVICES

As previously specified in Section 5.00 and mandated by the County Code, the Board of County Commissioners shall enter into all contracts. Also, all transactions which exceed $19,400.00 must involve one of the following:

A. Formal bidding process.
B. Approved state contract (i.e. COSTARS, State Contract or other purchasing agency contracts).
C. A sole source vendor.
D. Deemed an emergency by the Board of County Commissioners.

All contracted goods and services will have a contract number which will be assigned by the Controller's Office (i.e. bid items, state contract and negotiated contracts). All user departments will be notified of the contract number by the Controller's Department.

Section 11.00 - P-Cards

GENERAL

A Purchasing Card, or P-Card, is a convenient payment method that streamlines procure-to-pay processes for increased efficiencies and cost savings in accordance with the thresholds as defined in the aforementioned County purchasing policies. Transactions are deducted from the Westmoreland County budget and the assigned department's allocation in the budget. Policies and procedures contained herein are applicable to all County personnel.

11.01 Purchasing Card Policies and Procedures

A. Requesting cardholders, upon approval of the Purchasing Card Administrator(s), must review the program guidelines and agree to the terms and limitations outlined in the Employee Indemnity Agreement.

B. Individual card limits are set at $500.00 cumulative purchases per statement period (beginning the 28th of each month and ending on the 27th of the following month), unless otherwise stated. Department-wide card limits are typically set at $5,000.00 cumulative purchases per statement period. Temporary changes to the limit can be set upon request and approval of the P-Card Administrator.

C. The authorized cardholder is the only person entitled to use the card. The loaning of P-Cards for use by others is prohibited and is considered a violation of policy, as is personal use. The cardholder is responsible and accountable for all transactions that occur on their card.

D. Card will be cancelled upon the termination or job position change of the named employee. The cardholder must surrender the card upon termination of employment (i.e. retirement or voluntary/involuntary resignation).

E. Cardholders are expected to comply with internal control procedures in order to protect County assets. This includes keeping receipts, reconciling monthly statements, following proper card security measures, and resolving any discrepancies by contacting the supplier, Purchase Card administrator and the p-card issuing bank / institution.

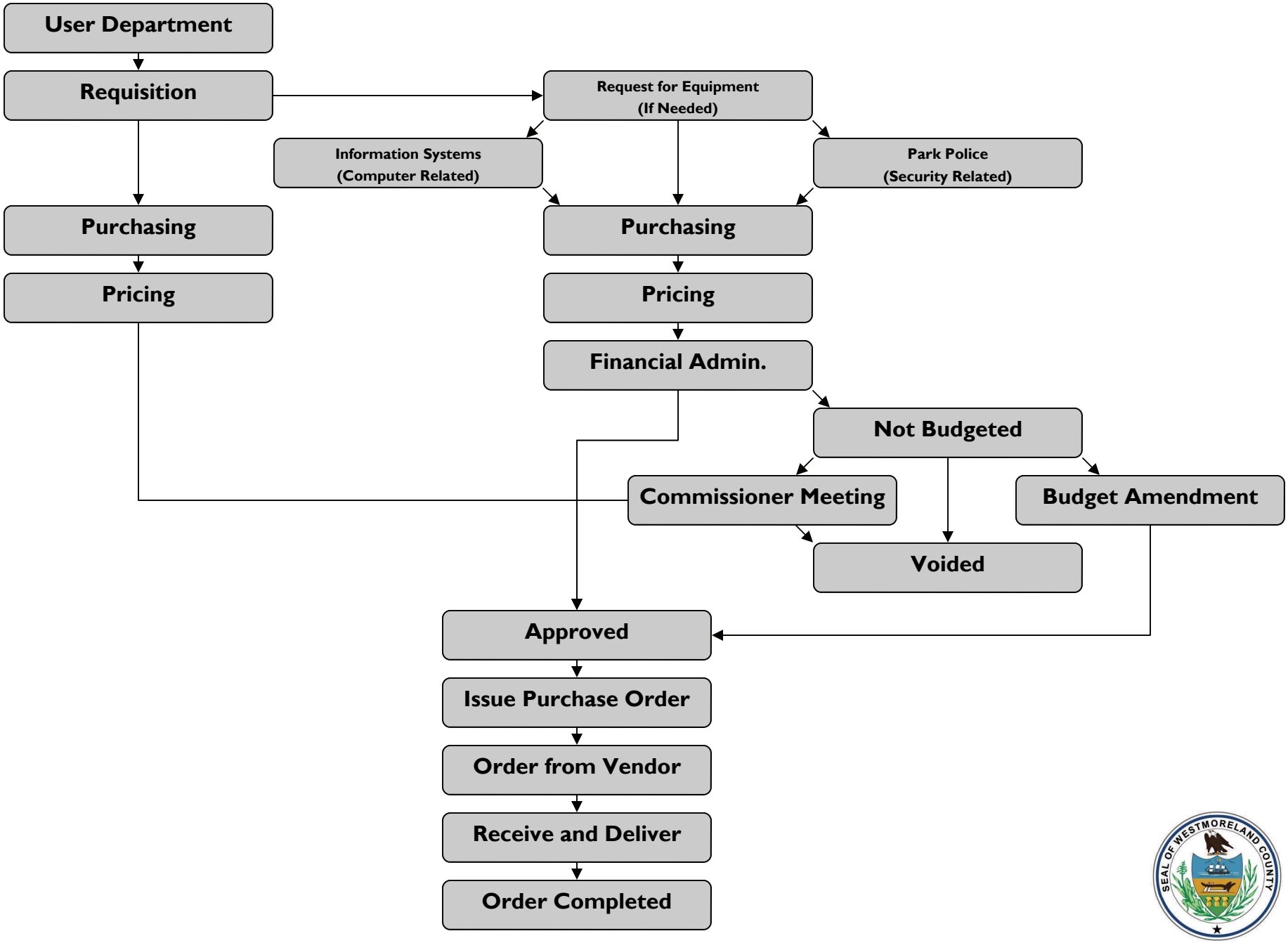
F. All transactions are tax exempt. It is the responsibility of the cardholder to make the vendor aware that the transaction will be tax exempt prior to processing the sale (if needed, tax exempt number 25-6001046 should be provided or a tax exempt certificate presented). If a vendor charges tax, the cardholder must contact the vendor and obtain a credit equal to the amount of the sales tax. Cash issued to settle the tax error is not permitted. If the cardholder is unable resolve a sales or any other tax issue, they will escalate to the P-Card Administrator.

G. Online usage information is continually monitored by the P-Card Administrator, including spending patterns and vendor sources.

H. Cardholder must keep a log of all purchases made with the credit card and reconcile the log with the monthly statement, verifying the accuracy of the statement and that no tax was charged erroneously.

I. Any disputes with the statement should be brought immediately to the attention of the P-Card Administrator.

J. If the card is lost, stolen or misplaced, employee must immediately notify the P-Card Administrator and issuing bank or institution.

K. Cardholders must turn in the original receipt to the P-Card Administrator within two weeks of the end of the statement date, along with the appropriate general ledger account to be charged. If the receipt is not submitted, the p-card will be deactivated until receipt is received.

Requisition and Request for Equipment Flow Chart