



ORDINANCE NO. 98-26

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF NASSAU COUNTY, FLORIDA, AMENDING ORDINANCE NO. 81-8, AS AMENDED, WHICH ADOPTED A PURCHASING POLICY FOR THE UNINCORPORATED AREAS OF NASSAU COUNTY; SPECIFICALLY AMENDING THE BID LIMIT; ESTABLISHING CATEGORIES, ESTABLISHING BID PROCEDURES AND PURCHASE ORDER PROCEDURES; ESTABLISHING EXEMPTIONS; AND DEFINING THE DEFINITION OF EMERGENCIES; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners of Nassau County, Florida, because of rising costs of all facets of county government, finds it necessary to raise the formal bid limit from \$3,000.00 ~~\$2,000.00~~ to \$15,000.00 ~~\$3,000.00~~ for all departments or expenditures authorized by the Board of County Commissioners; and

WHEREAS, it is within their authority to raise the formal bid limitation from \$3,000.00 ~~\$2,000.00~~ to \$15,000.00 ~~\$3,000.00~~.

NOW THEREFORE, BE IT ORDAINED this 14th day of September, 1998, by the Board of County Commissioners of Nassau County, Florida, as follows:

PURCHASING POLICY

SECTION 1 - PURPOSE

The purpose of this purchasing policy is to promote efficiency and economy in the purchase of various commodities or services for the Nassau County Board of County Commissioners. Further, this policy's purpose is to provide guidance and direction to all employees involved in the purchasing process.

SECTION 2 - FINAL RESPONSIBILITY

The final responsibility for the carrying out of the provisions of this policy rests with the Nassau County Board of County Commissioners. The Board shall designate employees and/or officers to administer the various facets of this policy.

SECTION 3 - DEFINITIONS

1. BOARD - The Board is the Nassau County Board of County Commissioners.
2. CLERK - The Clerk is the Clerk of the Circuit Court who serves as Ex-Officio Clerk to the Board of County Commissioners and Chief Financial Officer of the County.
3. PURCHASING AGENTS - The Purchasing Agents are employees or officers designated by the Board of County Commissioners as having authority to make purchases.
4. COUNTY COORDINATOR - The individual who is designated by and is under contract to the Board of County Commissioners to fill this position.
5. DEPARTMENT HEADS - The Department Heads are those individuals who are designated by the Board to be heads of various departments of the Board.
6. PURCHASE - A Purchase is defined as an acquisition by contracting in any manner, whether by rent, lease, lease/purchase, or outright purchase, with a source of supply for commodities or for both services and commodities. Within the meaning of this definition, the following are not purchases or commodities:
 - a. Transfer, sale or exchange of personal property between governmental agencies;
 - b. Utilities;
 - c. Public communications, i.e., telephone, telegraph, newspaper ads, etc.
 - d. Transportation of persons or things;
 - e. Educational seminars/workshops;
 - f. Overnight lodging;

g. Professional Services - Services of a professional nature, including engineering, land surveying, architectural, and landscape architectural services controlled by Section 287.055, Florida Statutes, and medical and legal services. Other services of a professional nature, where estimated cost does not exceed Twenty Five Thousand Dollars (\$25,000) are also exempt. For landscape architects, plans may only be submitted by persons registered as landscape architects in Florida under Chapter 481, Part II, Florida Statutes. For medical and legal services, where feasible, an attempt will be made to select a contractor through competitive negotiation.

(When a contract has been signed and amount is determinable, a purchase order shall be obtained and funds shall be encumbered).

h. Any rental or lease of property or buildings for less than twelve (12) calendar months with a non-renewable lease.

7. FORMAL BID - A formal bid is defined as a sealed bid with the title, date, and hour of the public bid opening designated.
8. INFORMAL BID - An informal bid is defined as a written quotation not requiring a public opening of such bid at specific time or date.
9. COMPETITIVE BID - Competitive bids shall mean two or more valid responses to a bid invitation.
10. EMERGENCY - An emergency is defined as a situation in which there is threat to life, a threat to property or a situation that exposes the county to material financial loss or liability.
11. EMERGENCY PURCHASE - An emergency purchase is defined as when the circumstances surrounding the emergency can only be rectified by

the immediate purchase of commodities or service. The immediate purchase of the commodity or service will alleviate, improve or render null and void the county's exposure to life threat, property threat or financial loss/risk. An emergency is defined as a situation in which there is threat to life, a threat to property or a situation that exposes the county to material financial loss or liability.

12. PURCHASE REQUISITION - A formal written or electronically transmitted request to procure commodities or services on behalf of a department. Requisitions must be signed or authorized by a properly authorized designated person, and must be filed with the Finance Department. ~~A purchase requisition is a four part form prepared by the requisitioning individual.~~ The requisitioner shall complete the request and submit it to the Finance Department. ~~One copy of the requisition remains with the requisitioner and the remaining three copies go to the Finance Department.~~

13. PURCHASE ORDER - The County document to formalize a purchase transaction with a vendor. The purchase orders should be numbered consecutively and contain statements regarding the quantity, description, and price of goods and services ordered; applicable terms as to payment, discount, date of performance, and transportation; and other factors or suitable references pertinent to the purchase such as bid number or contract number and should be signed by the purchaser. ~~The Purchase Order portion of the purchase requisition shall be completed by the Finance Department. Upon validation, the purchase order is distributed as follows: one copy to the vendor, one copy remains in the Finance Department and one copy is returned to the~~

~~requisitioner to be used as a receiving report. (Validation shall mean signature by the Clerk or an authorized Deputy Clerk.~~

14. SOLE SOURCE - The single or sole provider of particular goods or services.

SECTION 4 - PURCHASING RULES AND REGULATIONS

1. *Purchase Requisition* - Certain employees or officers, who are designated by the Board as its authorized representatives, shall have the authority to request purchases on the approved purchase requisition ~~form~~. **NO PURCHASE SHALL BE ALLOWED TO BE DIVIDED OR SUBDIVIDED IN ORDER TO CIRCUMVENT ANY SECTION OF THIS PURCHASING POLICY.** The requisitioner shall submit the purchase requisition ~~form~~ to the Finance Department. Finance shall review the requisition for completeness and to ensure that the requisitioner has been authorized by the Board ~~or its representative~~ to make requisitions, that the appropriate fund account number has been assigned, that there are sufficient unencumbered amounts in the fund account to cover the purchase, and that the requested purchase meets the requirements of Section Chapter 4(e). All specifications for bids for goods or services greater than \$5,000.00 must be forwarded to the Clerk's Office for review by the County Attorney and the Clerk as to form. After review, the county department shall utilize the county's class item bid list to obtain a list of vendors for particular goods or services. The Department shall send a copy of the solicitation along with verification of mailing to the Clerk's Office.

2. *Purchase Orders* - If the conditions in Section 4(1) above are met and upon validation, the Finance Department shall notify the

~~department of the issuance of complete the purchase order portion of the purchase requisition form within four (4) days of receipt. The form, upon validation, and shall distribute the Purchase Order to the vendor in a timely manner. shall become the purchase order and shall be distributed in accordance with Section 3(11).~~

3. *Purchase Rules -*

- a. Any purchase for \$200.00 ~~\$100.00~~ or less, ~~(see note A)~~ need not be made with the purchase requisition/purchase order as described in Sections 1 and 2. Each purchase for \$200.00 ~~\$100.00~~ or less must, however, be signed for as being received by the department head or his authorized representative¹. ~~The date of receipt shall be indicated on the receiving report.~~ A receiving report must be filed with the Finance Department prior to payment. For all purchases over \$200.00 ~~obtained with a purchase order must be issued in accordance with Section 4(1) and (2).~~ The invoice and receiving report shall be forwarded to the Finance Department immediately upon receipt of the goods or services for payment. ~~the pink copy of the purchase order shall serve as the receiving report.~~ For purchases of \$200.00 or less (including all applicable freight or costs) the invoice and receiving report shall be immediately forwarded to the Finance Department upon receipt of the goods or services for payment. ~~For purchases obtained without a purchase order, the invoice shall serve as the~~

¹ ~~\$200.00 or less for parts and/or service for the repair of all heavy equipment at the Road and Bridge Department.~~

~~receiving report.~~ In all circumstances, the receiving report shall be signed and dated by the authorized individual indicating receipt, inspection and acceptance of the goods or services as specified on the purchase order.
~~In both events, the receiving report shall be signed and dated by the authorized individual indicating receipt and acceptance of goods. No purchase shall be divided or subdivided in order to circumvent Section 4(3)(b).~~ The Clerk of Circuit Court as Chief Financial Officer shall have the authority to lower the amounts in SubSection (3)(a) as to what he deems reasonable for any department that is found to abuse this section of the policy. The Clerk of Circuit Court as Chief Financial Officer shall conduct internal audits to determine if the purchasing policy is being adhered to by all departments as deemed necessary by the Clerk.

b. All purchases greater than \$200.00 ~~\$100.00~~ but equal to or less than \$1,500.00 ~~\$1,000.00~~ and ~~purchases for parts and/or service of the repair of all heavy equipment at the Road and Bridge Department greater than \$200 but equal to or less \$1,500~~ shall follow the purchase requisition/purchase order regulations as described in Section 4.(1) and (2). ~~No purchase shall be divided or subdivided in order to circumvent Section 4(3)(b).~~

c. All purchases that are greater than \$1,500.00 but less than \$5,000.00 shall require the purchasing agent to obtain at least three informal bids or quotations. ~~the amounts listed in (3)(b) above, but less than \$5,000.00 shall also~~

~~follow the purchase requisition/purchase order regulations as described in Section 4(1) and (2). The purchasing agent must, however, obtain at least three informal bids. Evidence of these three informal bids or quotations must be submitted to the Finance Department prior to the issuance of the Purchase Order. attached to the purchase requisition which is to be sent to the Finance Department. If three bids cannot be obtained, the agent must provide the Finance Department with a written explanation as to why three bids or quotations cannot be obtained. Finance shall attach the bids or quotations to the signed copy of the Purchase Order.~~

d. For all purchases equal to or greater than \$5,000.00 but less than \$10,000.00, the Department shall attempt to obtain a minimum of five (5) sealed bids or quotations delivered to the Clerk's Office. All bids or purchases made under this category shall utilize the county's class item bid list. The vendor shall be given a minimum of seven (7) calendar days from the date of mailing to respond. The department head must certify to the Clerk's Office the date of mailing and the expected date of receipt of the bids or quotations. If less than five (5) responses are obtained, the Department Head should have a written explanation as to why five responses were not obtained.

e. All purchases equal to or greater than \$10,000.00 but less than \$15,000.00 shall be made from the county's class item bid list. All vendors registered must be sent an invitation

to bid by certified mail or another method to show proof of delivery for the requested goods or services. The Department shall submit to the Clerk along with a copy of the solicitation, a list of all vendors the solicitation was sent to and method of delivery and shall sign off verifying that the requests were sent.

f. All purchases equal to or greater than \$15,000.00 ~~\$5,000.00~~ require formal and competitive bids. ~~and shall be made pursuant to the provisions of Nassau County's bid ordinance.~~ All purchases shall be advertised at least once in a newspaper of general or regional circulation and at least two weeks or fourteen (14) calendar ~~ten (10)~~ days prior to the bid opening. In addition to advertising, department heads shall utilize the established class item bid list and send notice to all applicable vendors.

~~f. Form PUR 7068 shall be required for all purchases equal to or greater than \$3,000 and must be attached to the purchase requisition form prior to submission to Finance Department. The Finance Department should be contacted if assistance is needed to complete Form PUR 7068 or if blank forms are needed.~~

g. When only one bid is received for the purchase of an item or group of items, the Board shall review the bid in order to determine the reasons why, if any, only one bid was received. The Board may accept the only bid or it may request that a second call for bids be issued. If the only

bid is accepted, then the reason why, if any, only one bid was received shall be included in the minutes of the Board.

~~No purchase shall be divided or subdivided in order to circumvent Nassau County's competitive bid requirements.~~

The Board reserves the right to reject any and all bids and such reservation should be indicated in all advertising and bid invitations.

4. *State Contract Purchases* - The three bid requirements may be waived if the purchase is procured under current state contract. If the goods or services can be made locally or within Nassau County boundaries at a rate less than State contract the department head may utilize the local vendor. The purchase requisition must reference the State Contract List, Contract Title, current contract number and contract expiration date. The purchasing agent shall be responsible for making sure that the best and most economical purchase is made. This procedure may not be utilized for any purchase greater than \$30,000.
5. *Sole Source Purchases* - If the required goods or services can only be procured from a sole source, the purchasing agent must provide a written explanation supporting the requisition of a sole source procurement. Such written explanation shall be submitted with the purchase requisition to the Finance Department. The Clerk as Chief Financial Officer ~~Finance Department~~ can approve the purchase requisition if the written explanation is sufficient in his opinion for purchases up to \$10,000.00. If the Clerk ~~Finance Department~~ does not have sufficient written explanation or the written explanation, in his ~~their~~ opinion does not support the sole source procurement, the approval shall lie with the Board of County Commissioners. For

purchases of \$10,000.00 and above, the Clerk must review and submit same to the Board of County Commissioners for final approval. and in their opinion supports the sole source procurement the Board must approve the requisition. The Finance Department will return the requisition to the requisitioning department and that department will present the requisition to the Board for their approval. Such approval shall be recorded in the Board's minutes. Upon approval from either the Finance Department or the Board, a purchase order will be issued and distributed in accordance with Section 3(11).

6. All solicitations must contain the statement that the prices obtained must be honored by the vendor for equal goods or services for any governmental entity or Constitutional Officer of the State of Florida for the remainder of the fiscal year.

SECTION 5 - EMERGENCY PURCHASES

The Board of County Commissioners shall be responsible for reviewing and making the determination if a purchase for goods or services meets the definition of "emergency purchase" under this policy. The department head shall file a written statement certifying the conditions and circumstances requiring the emergency purchase of goods or services. Emergency purchases shall be made with such competition as is practical under the circumstances. The requisition shall be labeled "exceptional purchase request" and shall have the appropriate information, along with a copy of the Department Head's written statement showing the approval date from the Board of County Commissioners authorizing this as an emergency. The requisition shall be executed by the Chairman of the Board of County Commissioners after approval by the Board. The requisition shall be forwarded by the

responsible department head to the Clerk for any processing by the close of business of the next working day. A copy of the Purchase Order and certifying documents shall be maintained and made a part of the official financial records maintained by the Clerk's Office.

~~Emergency purchases can be made without having to conform with the purchase requisition/purchase order regulations as outlined in Section 4 provided that the emergency purchase falls within the meaning of emergency purchase as defined in Section 3. The procedures for emergency purchases are as follows:~~

~~1. Emergency purchases for all dollar amounts:~~

~~a. The department head shall obtain verbal authorization prior to the emergency purchase from the Chairman or Vice Chairman of the Board of County Commissioners.~~

~~b. The department head is responsible for obtaining the best price possible given the emergency time constraints. Three informal bids shall be obtained prior to the emergency procurement if the procurement is for \$1,000 or more.² If three informal bids can not be obtained, the department head must provide a detailed written explanation why three bids can not be obtained. The detailed written explanation shall be submitted to the Finance Department within five (5) business days from the date of issuance of the purchase order. If the detailed written explanation is not received by the Finance Department with a five (5) business day~~

² \$1,500 or more for parts and/or service for the repair of all heavy equipment at the Road and Bridge Department.

~~timeframe, the Clerk shall notify the Board of County Commissioners.~~

SECTION 6 - PURCHASING AGENTS

~~The Board shall appoint employees and/or officers who shall have the authority to make purchases in accordance with the provisions of this manual. These employees and/or officers shall be designated as purchasing agents.~~

The purchasing agents shall be solely responsible for following all sections of this policy. ~~submit requisitions and make purchases in accordance with the provisions of this policy.~~ The purchasing agents shall also be responsible for making sure that the best and most economical purchase is made.

SECTION 7 - PROCESSING OF INVOICES FOR PAYMENT

1. The Clerk in his capacity as pre-auditor of the Board of County Commissioners shall be responsible for the processing of invoices for payment. The Clerk or his authorized representatives shall process invoices for payment only if they are in accordance with the Board's purchasing policies. All invoices that do not comply with the Board's purchasing policies shall be submitted to the Board. The Board, if it so chooses, can approve payment of these invoices. Such approval shall be recorded in the Board's minutes and be made a part of the financial records. The Clerk shall then pay these invoices provided that payment of such invoices does not conflict with his constitutional responsibilities as pre-auditor of the Board.

2. The Clerk in his capacity as pre-auditor shall from time to time develop policies for the day to day operation and processing of the invoices for payment.

~~2. The Clerk shall process all invoices that do not fall within the meaning of a purchase, Section 3(5), according to his best judgment.~~

3. All processing and payment of invoices shall be made in accordance with Florida Statutes.

~~3. The Clerk shall process all invoices for purchases of \$100 or less in accordance with Board policy². The original invoice must be signed and dated by the Board approved authorized personnel and must be submitted to the Finance Department for payment.~~

~~4. All invoices for purchases that are greater than \$100 but equal to or less than \$1,000, and purchases for parts and/or service for the repair of all heavy equipment at the Road and Bridge Department greater than \$200 and less than or equal to \$1,500 shall be processed only if the following documents are on hand in the Finance Department:~~

~~a. A properly validated purchase requisition/purchase order.~~

~~b. A properly signed and dated receiving report. The pink copy of the purchase order shall serve as the receiving report. The receiving report shall be signed and dated by an authorized individual indicating receipt and acceptance of goods in the quantities ordered.~~

² \$200.00 or less for parts and/or service for the repair of all heavy equipment at the Road and Bridge Department.

~~e. An original invoice. The invoice must be as complete as possible. It must clearly indicate the name, address, and any other information pertaining to the vendor. It must also clearly indicate the commodities sold and cost of such commodities. Monthly or other statements may be submitted; however, such statements shall not be used in place of an original invoice. If the invoice is received by the requisitioning department, it must be signed and dated by Board approved authorized personnel prior to delivery to the Finance Department. Unless otherwise impracticable, all invoices shall be submitted directly from the vendor to the Finance Department.~~

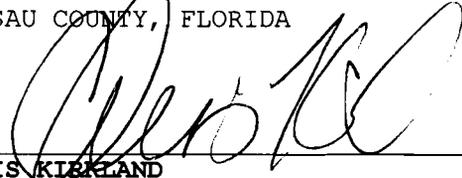
~~5. All invoices for purchases that are in excess of the amounts listed in Subsection 5 of this Section shall be process only if the documents listed in Subsection (3) above are on hand at the Finance Department, Form PUR 7068 has been properly completed as specified in Section 4(3)(f), and the applicable Sections of Section 4(3)(c-f) were adhered to.~~

~~6. All invoices for purchases that require formal and competitive bids shall be processed only if the documents listed in Section 4 are on hand in the Finance Department, Form PUR 7068 has been properly completed as specified in Section 4(3)(f), and evidence exists in the Board minutes indicating the bid aware and the bid amount.~~

SECTION 8 - EFFECTIVE DATE

This Ordinance takes effect immediately upon its being filed in the Office of the Secretary of the State.

BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA



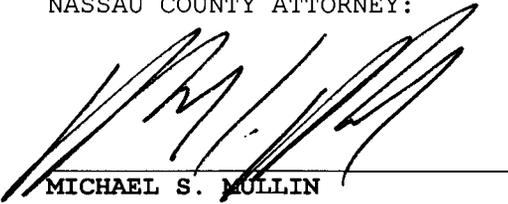
CHRIS KIRKLAND
Its: Chairman

ATTEST:



J. M. "CHIP" OXLEY, JR.
Its: Ex-Officio Clerk

APPROVED AS TO FORM BY THE
NASSAU COUNTY ATTORNEY:



MICHAEL S. MULLIN