

RESOLUTION
OF
THE BOARD OF OURAY COUNTY COMMISSIONERS

**Concerning: Adoption of Ouray County Policy and Procedures Manual for
Purchasing and Contracting, Credit Cards and Grants**

Whereas, the Board of County Commissioners of Ouray County, Colorado, has determined that consistent procedures should be followed by all of Ouray County elected officials, department heads, and staff for the purchasing and contracting of supplies, materials, equipment, and services (including leases, lease purchases, contractual services, and rentals); and for the accountability, usage and enforcement of County credit cards and grant processes; and

Whereas, the Board seeks to assure itself and the public of maximum economies to be achieved through fair and equitable purchasing, credit card usage, grant processes, and contractual services included in Sections 1, 2 and 3 of the Ouray County Policy and Procedures Manual for Purchasing, Credit Cards, Grants, and Contracting; and

Whereas, adoption of the Ouray County Policy and Procedures Manual for Purchasing and Contracting, Credit Cards and Grants will foster effective broad-based competition within the free enterprise system to ensure that the County will receive the best possible service or product at the "best overall value," and ensure accountability in public processes; and

Whereas, the Ouray County Policy and Procedures Manual for Purchasing and Contracting, Credit Cards and Grants may be amended in the future via a resolution adopted by the Board of County Commissioners at a noticed public meeting.

Now, Therefore, Be It Resolved, by the Board of County Commissioners of Ouray County, Colorado, that the policies and procedures contained in the Ouray County Policy and Procedures Manual for Purchasing and Contracting, Credit Cards and Grants are hereby established and shall be followed by all County elected officials, department heads and staff except as may be otherwise provided by Colorado Revised Statutes or determined by the Board of County Commissioners at a noticed public meeting.

If any provision of this Resolution or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or application of the Resolution which can be given effect without the invalid provision or application, and to this end the provision of this Resolution are declared to be severable.

All resolutions or parts thereof or procedures or policies in conflict with this Resolution are hereby repealed.

Adopted this 27th day of March, 2006.



ATTEST:
Michelle Nauzer
Michelle Nauzer, County Clerk and Recorder

By: *Linda Munson-Haley*
Linda Munson-Haley,
Deputy Clerk of the Board

BOARD OF COUNTY COMMISSIONERS
OF OURAY COUNTY, COLORADO

Heidi M. Albritton
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Don Batchelder, Vice Chair

Kristi R. Westfall
Kristi R. Westfall, Commissioner Member

Ouray County

Policy and Procedures Manual for:

**Purchasing and Contracting
Credit Cards
Grants**



Adopted on: March 27, 2006

Board of Ouray County Commissioners

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Section 1

**Purchasing and Contracting
Policy and Procedures**

OURAY COUNTY

Purchasing and Contracting Policy and Procedures

Introduction

This policy is intended to provide procedures and guidelines necessary for the conduct of purchasing and contracting activities for Ouray County. This policy has been designed to:

1. Comply with the State of Colorado, Colorado Revised Statutes, as amended,
2. Encourage maximum competition on a basis of fair and equal opportunity to those qualified and interested bidders,
3. Provide a uniform procedure for the procurement of material, equipment, supplies and services,
4. Ensure that the County is getting the “best overall value” for taxpayer dollars, and

Some of the factors considered when determining the “best overall value” are:

- **Price**
- **Warranty**
- **Service**
- **Availability**
- **Past Performance**
- **References**

5. Apply to all County Departments including elected officials and their designee(s) as indicated on the Authorized Signatures list.

Office of Finance and County Administrator

The Finance Office / County Administrator (FOCA) shall have the authority to undertake procurement, solicit bids and proposals, make written determinations and recommendations for the County, and supervise County purchasing functions. The FOCA shall maintain a list of vendors and update the list periodically. The FOCA will work to ensure budgetary compliance. All bids and quotations of any kind must be current (within a six-month window).

An “**Authorized Signatures**” list will be provided to the FOCA indicating the employees in the various departments who are authorized to make purchases on behalf of their respective departments. The form also indicates the dollar limitation for each person.

Requirements for Formal and Informal Bids

Under \$500.00: County employees are encouraged to do whatever is practical to secure competitive pricing from multiple sources. ***Purchases shall not be artificially divided so as to constitute a small purchase under this section. Whether or not a proposed purchase constitutes artificial division shall be determined by the FOCA.***

Between \$500.00 and \$4,999.99: (Informal verbal bids are required) Informal bids from at least three (3) sources must be obtained. Bids may be documented on the “**Informal Verbal Quotation Form**” or may be supported by written quotations from vendors (faxed/mailed/electronic submittals). This documentation should be attached to an “**Informal Bid Review Form.**” The FOCA will review all documentation for budgetary availability and to ensure quotes are attached prior to ordering. The FOCA will sign the Informal Bid Review Form indicating that the documentation has been reviewed. The Informal Bid Review Form must be signed by the Department Head or Elected Official (or designee). ***Purchases shall not be artificially divided so as to constitute a small purchase under this section. Whether or not a proposed purchase constitutes artificial division shall be determined by the FOCA.***

Between \$5,000.00 and \$9,999.99: (Informal written bids are required) Informal written bids from at least three (3) sources must be obtained. Faxed/mailed/electronic quotations are acceptable. Purchases must be supported by written quotations from vendors, attached to the “**Informal Written Bid Review Form.**” All documentation with attached written quotations and Informal Written Bid Review Form must be reviewed and approved by the FOCA for compliance with policy and budgetary availability. The Informal Written Bid Review Form must be signed by the Department Head or Elected Official (or designee), Finance Office, and County Administrator after their review. Final review and approval by the County Administrator is required prior to ordering. ***Purchases shall not be artificially divided so as to constitute a small purchase under this section. Whether or not a proposed purchase constitutes artificial division shall be determined by the FOCA.***

\$10,000.00 and over (Formal bids are required) The term “formal bid” is used to identify solicitations that represent major purchases by Ouray County. The difference between a formal bid and an informal bid is that a formal bid must be sealed, in writing, and publicly advertised in the legal paper of record at least fourteen (14) days prior to the date set for opening. The issuance of a formal bid is best accomplished by a cooperative effort between County Departments and the County Administrator.

All bid openings, including bids prepared by outside consultants, will be processed through the County Administrator. All bids shall be opened under dual control by the County Administrator (or designee) and Elected Official / Department Head or other staff member of the County. Award shall be made by the Board of County Commissioners. ***See the following Formal Bid / Request for Proposals (RFP) / Request for Quotation (RFQ) Process outline.**

Request for Proposal (RFP) and Request for Quotation (RFQ)

Competitive sealed proposals are most appropriately used for professional service-oriented contracts (i.e. purchase of services, purchase of products such as fuel, magnesium chloride, gravel crushing, etc.)

The RFP or RFQ must be in writing, posted in the County's official posting place, and publicly advertised in the legal paper of record at least fourteen (14) days prior to the date set for opening. The RFP and RFQ must be submitted to the County in a sealed envelope marked with the name of the request as indicated in the instructions. The issuance of an RFP or RFQ is best accomplished by a cooperative effort between County Departments and the County Administrator.

All proposals, including those prepared by outside consultants, will be processed through the County Administrator. All proposals shall be opened before the public at a date, time and place designated in the RFP or RFQ. All proposals shall be opened under dual control by the County Administrator, or designee, and department head or other staff member of the County. The proposals shall be analyzed (based upon the "best overall value" to the County) and documented including staff recommendation. Award shall be made by the Board of County Commissioners including approval of contracts. ***See the following Formal Bid / Request for proposal (RFP) / Request for Quotation (RFQ) Process outline.**

**Formal Bid / Request for Proposal (RFP) /
Request for Quotation (RFQ) Process**

<u>What to Do:</u>	<u>Who does it:</u>
1. Notify the County Administrator of the need to issue a formal bid/RFP/RFQ	1. County department
2. Review with Finance Office for budgetary availability	2. County department and/or County Administrator
3. Determine needs and develop specifications	3. County department and/or County Administrator
4. Prepare bid document/RFP/RFQ	4. County department and/or County Administrator
5. Advertise and solicit sealed bids Public notice of the bid shall be given at least 14 days prior to the date set for opening.	5. County department and/or County Administrator
6. Bid/RFP/RFQ opening	6. County department and County Administrator
7. Bids/Proposals are analyzed and spreadsheet and/or contract is prepared	7. County department and County Administrator
8. Make award recommendations to Board of County Commissioners for formal award and contractual approval	8. County department and County Administrator
9. Notice of award and thank you letters	9. County department and/or County Administrator

The FOCA will maintain a formal procurement file for every Formal Bid, RFP and RFQ. Each file will contain a list of the vendors and newspapers who received the solicitation, copies of the bids or proposals received from vendors, bid or proposal analysis sheet, award letter or contract, and thank you letters.

Purchase Authorization Matrix

Expenditure	Who has the authority to make this purchase?	What purchase method may be used?	Who has the authority to review and/or approve this level of expenditure?
Under \$500	*Elected Official *Department Head County Administrator	Competitive pricing from multiple sources is encouraged.	Elected Official Department Head County Administrator
\$500 - \$4,999.99	*Elected Official *Department Head County Administrator	Purchase or service must be supported by informal verbal bids. Telephone quotations are acceptable, as are faxed, mailed and electronic quotations.	FOCA will review for departmental budgetary availability and to ensure quotes are attached.
\$5,000 - \$9,999.99	*Elected Official *Department Head County Administrator	Purchase or service must be supported by informal written bids. Faxed, mailed and electronic quotations are acceptable.	FOCA will review for compliance with policy and departmental budgetary availability. Final approval by the County Administrator is required.
\$10,000 and over	Elected Official Department Head County Administrator	Formal sealed bids are required. The bid must be advertised in the legal paper of record at least 14 days prior to the date set for opening. Bids are opened under dual control.	Board of County Commissioners
Request for Proposal (RFP) and Request for Quotation (RFQ)	Elected Official Department Head County Administrator	Formal sealed proposals are required. The proposal must be advertised in the legal paper of record at least 14 days prior to the date set for opening.	Board of County Commissioners Service contracts, leases, and lease purchases must be approved by the Board of County Commissioners

**Or designated representative as indicated on the Authorized Signatures list.*

Procedure for Purchasing via a Public Auction

Purchases may be made through a public auction only when written authorization is granted by the Board of County Commissioners. The department head or elected official must provide, in writing, quotes from like products in order to provide a realistic price. Upon receiving this information and verifying budget availability, written authorization by the Board of County Commissioners, indicating the amount “not to exceed” may be granted allowing the department head, elected official, or designee, to attend the auction and bid on that particular product.

If a purchase is made through a public auction, all documentation must be retained and submitted to the Finance Office for processing.

Cases not Requiring Bidding Procedure

The County Administrator may approve a purchase without bid under the following conditions subject to departmental budget availability:

- 1) The item to be purchased is under State or Federal Bid lists
- 2) There is only one known source of purchase, and there is no comparable substitute product or service. ***Written documentation supporting the sole source must be provided.***
- 3) A specific type or brand of supply or part is necessary for acceptable operation of a machine or device, or as required by warranty or contract on the machine or device. ***Written documentation supporting the purchase of a specific brand or part necessary for acceptable operation of a machine or device, or a copy of a particular warranty or contract for a machine or device, must be provided.***
- 4) The item or service is required on an emergency basis
- 5) The item was previously awarded within the past six (6) months

Emergency Procurements

In the case of an emergency requiring immediate purchase of materials, supplies, equipment or services, the Board of County Commissioners hereby authorizes the County Administrator to approve such emergency purchase if the situation permits. The department head or elected official should still secure, by informal bid procedure at the “best value” any such materials, supplies, equipment or services. Such informal bid procedures shall, to the extent possible, consist of obtaining quotes either by telephone, written, faxed or electronic from at least three (3) suppliers of the product or service to be purchased. A written determination of the basis for the emergency and for the selection of the particular contractor or vendor shall accompany the documentation submitted to the Finance Office for purchase.

Emergency Procurements Definition: Emergency procurements may be made when there exists an eminent or immediate threat to public health, welfare or safety, provided that such emergency procurement shall be made with such competition as outlined above, and as is practical under the circumstances.

Exceptions

Exceptions to the policy will be determined on a case-by-case basis by the Board of County Commissioners.

Local Advantage

Ouray County will make every effort to purchase from businesses located within Ouray County if the purchase fits into the category of “best overall value.” It must be noted that Ouray County employees have a responsibility to the taxpayers of the County to ensure that bids are awarded to vendors offering their products or services at the “**best overall value**” to the County.

Cancellation and Rejection of Bids

An invitation to bid, request for proposal, or other solicitation may be canceled, or any or all bids or proposals may be rejected, in whole or part, as may be specified in the solicitation when it is in the best interest of the County. The reasons shall be made part of the formal bid file.

Prequalification of Suppliers and Services

Prospective suppliers or services may be prequalified for particular types of supplies, services and construction.

A “Request for Qualifications” will be solicited and advertised in order to establish a pre-qualified vendors list. Upon establishment of a prequalified vendors list for a particular supply, service or construction, requests for proposals or requests for quotations may be submitted to individuals or companies on this list.

Ethics in Public Purchasing and Contracting

It shall be unethical for any Ouray County employee involved in making procurement decisions to have personal investments in any business entity that will create a substantial conflict between their private interests and their public duties.

It shall be unethical for any person to offer, give, or agree to give any Ouray County employee, or for any Ouray County employee to solicit, demand, accept, or agree to accept from any vendor or business, a gift or gratuity in any amount in connection with any decision, approval, disapproval or recommendation concerning a solicitation. Any employee found to be accepting such gifts or gratuity in connection with any decision; approval, disapproval or recommendation concerning a solicitation may be subject to disciplinary action and/or termination.

Inexpensive advertising items, such as pens, pencils, paperweights, cups, candy, calendars, etc., are not considered articles of value or gifts in relation to this policy and may be accepted.

Section 2

**Credit Card
Policy and Procedures**

OURAY COUNTY
Credit Cards
Policy and Procedures

Policy

All County credit card usage shall be for County business only. No personal usage is allowed. Credit cards shall not be used for cash advances or to purchase fuel for privately owned vehicles. Failure to comply with credit card policy and procedures will result in cancellation of the card, and may include disciplinary action or termination.

Procedures

1. Credit card receipts must be retained and accompanied by the following form:

- a. ***Credit Card Purchase Information Form*** (Appendix to Section 2).

Employees shall be solely responsible for obtaining copies of lost or misplaced receipts.

2. Credit card statements will be received and administered through the County finance office for payment.

Credit card receipts, accompanied by the "Credit Card Purchase Information Form" must be delivered to the finance office within five business days of purchase or within five business days after return of business related travel. The finance office will retain the Credit Card Purchase Information Forms and receipts pending receipt of the billing statement at which time they will be attached to the statement and maintained for reference and accountability purposes.

3. Please contact the County Administrator's office should a circumstance arise where a higher dollar limit is needed, and arrangements may be made to adjust the dollar limit.
4. No individual cardholder will be able to modify his or her account in any way. Request for changes must be made through the County Administrator and may only be authorized by the County Administrator or by a quorum of the Board of County Commissioners at a noticed public meeting.
5. If a card is lost or stolen, it is imperative that you contact the County Administrator's office immediately.

Section 3

**Grant
Policy and Procedures**

OURAY COUNTY

Grant Policy and Procedures

Purpose

The purpose of this policy is to ensure that all proposed grant applications are submitted to the Board of County Commissioners (BOCC) prior to submittal to a granting agency, to ensure that appropriate county personnel have adequate time to review grant applications prior to their submittal to the BOCC for approval, and to establish BOCC direction with respect to grant contracts, administration, and budget. Justification of grant applications must be included on the attached ***“Pre-Grant Application Form.”*** Grant applications must be for amounts justifiable to administer by the County.

Policy Statement

Grants are an important source of revenue to Ouray County government and assist significantly in financing existing, expanding, and/or new programs and services for Ouray County residents. The BOCC strongly encourages the pursuit of grants that help to fulfill County goals and meet County and community objectives. However, it is important that the BOCC, County Administrator and Finance staff have full knowledge of, and concurrence with, proposed grant applications before they are submitted to funding agencies. Grants only provide funding for a limited term; therefore, it is important to evaluate the impacts of grant funding on long-term operations.

Definition

A “Grant” is a financial subsidy from a source other than County revenues, which is utilized to fund a specific program, service, project, or piece of equipment that typically has a defined term and requires administration and financial reporting by the County to the grantor. Direct allocations from the State of Colorado to fund social services are not considered grants for purposes of this policy.

Procedures

1. Prior to submission to the BOCC for consideration, all grant applications must be reviewed by the County Administrator for budgetary and administrative impact. In addition, if the grant contemplates new personnel, the grant should also be reviewed by the Human Resources Director prior to submission to the BOCC to ensure that the classification and compensation of the proposed employee are appropriate and in compliance with the County’s compensation and classification matrix. It should be understood in advance that any grant-funded position will be eliminated at the expiration of the grant period unless other funding is obtained or appropriated by the BOCC to continue the position. This should occur during the regular budget development process by the department that is benefited by the grant.
2. Grant applications should be formally presented to the BOCC for consideration during a noticed public meeting detailing the value and impact of the program, service, equipment

or improvement to be funded, the amount and duration of the grant, the County cash or in-kind match, the recommendation of the County Administrator, if applicable, Human Resources Director, if applicable, and any other pertinent information that will be helpful to the BOCC in deciding whether to approve the application.

3. If the County is awarded the grant, the contract document must be signed by the BOCC unless signature authority has been granted by the Board to the County Administrator. The contract documents must also be formally presented to the BOCC for consideration during a noticed public meeting. When possible, grants should be included in the annual budget process.
4. In the event that compliance with paragraph two (2) and three (3) hereinabove is beyond a grant applicant's control, such application shall be reviewed by the County Administrator and placed on the next available BOCC agenda.

Purchasing and Contracting

Appendix Section 1

Forms

INFORMAL VERBAL QUOTATION FORM

Department: _____ Date Quotes Solicited: _____ Authorized Department Signature: _____			Vendor: _____ Address: _____ _____ Salesperson's Name: _____ Tel.#: _____ Fax#: _____		Vendor: _____ Address: _____ _____ Salesperson's Name: _____ Tel.#: _____ Fax#: _____		Vendor: _____ Address: _____ _____ Salesperson's Name: _____ Tel.#: _____ Fax#: _____		Vendor: _____ Address: _____ _____ Salesperson's Name: _____ Tel.#: _____ Fax#: _____	
P.O.#	Qty.	Description*	Each	Total	Each	Total	Each	Total	Each	Total
Bid Total			\$		\$		\$		\$	

**You may attach an additional sheet if a more detailed description is needed.*

INFORMAL BID REVIEW FORM
(\$500.00 – \$4,999.99)

Description of Purchase: _____

Account Number(s) to charge expenditure(s): _____	Amount(s): _____
_____	_____
_____	_____

Award Recommendation *(give reasons supporting recommendation):*

Department's Authorized Signature

Finance Office

Date

INFORMAL WRITTEN BID REVIEW FORM
(\$5,000.00 – \$9,999.99)

Description of Purchase: _____

Account Number(s) to charge expenditure(s): _____ **Amount(s):** _____
_____ _____
_____ _____

Award Recommendation *(give reasons supporting recommendation):*

Department's Authorized Signature

Finance Office

County Administrator

Date

AUTHORIZED SIGNATURES

The following is a list of employees in my department, including me, who are authorized to purchase and sign the INFORMAL BID REVIEW FORM and the INFORMAL WRITTEN BID REVIEW FORM for the

_____ Department.

(Please indicate dollar limitations for each person.)

I have authorized approval for the following individuals and have indicated their dollar limitations.

_____ *Department Head/Elected Official Signature*

_____ *Date*

****I understand that by signing below it indicates that I have read and understand the purchasing manual. Failure to follow the purchasing manual may result in disciplinary action and/or termination.***

<u>Date</u>	<u>Printed Name</u>	<u>*Signature</u>	<u>Initials</u>	<u>\$500- \$4,999</u>	<u>\$5,000- \$9,999</u>	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

Appendix
Section 2

Forms

Credit Cards

CREDIT CARD PURCHASE INFORMATION FORM

(The credit card receipt and the actual receipt (if available) must be attached to this form)



NAME: _____ **CREDIT CARD NUMBER:** _____

DEPARTMENT: _____

LINE ITEM ACCOUNT NUMBER TO CHARGE: _____

DATE OF PURCHASE: _____ **AMOUNT:** _____

ITEM OR SERVICE PURCHASED: _____
(Include a brief description of item(s) or services(s) purchased, and reason for purchase)

Signature of Credit Card User

Date

Appendix
Section 3

Forms

Grants



Pre-Grant Application Form

Department:	Date:
Grant Title:	Year of grant commencement:
Grant Source: <input type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Other _____	
Grant Total: _____ County Share: _____ Other: _____	
Reporting Requirements:	
<u>Grant Description/Purpose:</u>	

Grant Match Information:

Percentage of Grant Match (if applicable): County: _____% Grant: _____% Other: _____%

Percentage of Grant designated for Administration (especially for pass-through grants of which the County is the sponsor or administrative agent): _____

If other, please indicate: _____

Proposed Source of County Funding for grant match:



General Fund Revenue R & B Fund Revenue EMS Fund Revenue
Social Services Fund Other

If other, please indicate: _____

Submission/Review/Approval or Denial:

Department Head / Elected Official: _____ Date: _____

County Administrator: _____ Date: _____

Comments: _____

Human Resources Director (if applicable) _____ Date: _____

Comments: _____

Board of County Commissioners, Chair: _____ Date: _____

Approve **Deny**