

BRUNSWICK COUNTY

CONTRACT AND PURCHASING POLICY

I. FORMAL BID (N.C.G.S. 143-129)

- A. Contracts and purchases that require the use of formal bid procedures are those for:
1. Non-Federally funded ~~C~~ construction or repair work requiring the estimated expenditure of \$500,000 or more
 - ~~1-2.~~ Federally funded construction or repair work requiring the estimated expenditure or \$150,000 or more
 - ~~2-3.~~ Purchase or lease-purchase of apparatus, supplies, materials or equipment requiring an estimated expenditure of \$90,000 or more
 - ~~3-4.~~ Exceptions as included in G.S. 149-129
- B. Minimum number of bids required
1. Three competitive bids are required for construction and/or repairs only
 2. If three bids are not received, then re-advertise and the contract may be awarded with one bid
- C. All formal bids shall be procured through the Assistant County Manager's office and approved by the Board of Commissioners. In order to prepare formal bid packages for construction and/or repair as well as apparatus, supplies, materials and/or equipment, a written request and supporting information must be submitted at least thirty days prior to the advertisement of bids
- ~~C.~~

II. INFORMAL BID (N.C.G.S. 143-131)

- A. Contracts and purchase that require the use of informal bid procedures are as follows:
1. Construction and/or repair work requiring the estimated expenditure of any amount up to \$499,999
 2. Construction and/or repair work requiring the estimated expenditure of \$30,000 to \$499,999 shall require the approval of the Board of Commissioners in compliance with N.C.G.S. 143-131 (b).
 3. Apparatus, supplies, materials and/or equipment requiring the estimated expenditure of any amount up to \$89,999
- B. Minimum number of bids required
1. Three telephone/facsimile/email quotes are required and must be properly documented on the electronic requisition with a copy provided to the finance department for expenditures of \$5,000 or more. For expenditures of any amount up to \$4,999 three telephone/facsimile/email quotes are required and must be properly documented and maintained within the department's records. The department's records of quotes are subject to audit. Non-responsive submissions do not qualify as a quote.
 2. If three quotes cannot be obtained, a full explanation must be submitted to the Assistant County Manager's Office.

III. PURCHASE ORDERS

- A. All obligations of the County must be supported by an official purchase order with the following exceptions:
1. Salaries and wages
 2. Fringe benefits
 3. Travel and registration expenditures
 4. Telephone and Utilities
 5. Postage
 6. Payments for appropriations to non-profit entities, public schools, community college
 7. Debt Service Payments
 8. Advertisements In local newspapers
 9. Services authorized by County Coroner
 10. Beneficiary payments to Social Services Recipients
 11. Social Services payments to medical transportation providers
 12. Animal Services payments for veterinary service providers
 13. Payments made to or on behalf of beneficiaries of the Public Housing Section 8 program
 14. County Credit Card Purchases
 15. Other as periodically determined by the Finance Officer/Assistant County Manager
 16. Small obligations of less than \$5,000 under the following conditions
 - a. Non-reoccurring expenditures (i.e. dues, subscriptions, services)
 - b. An unencumbered balance is available for obligation
 - c. Shall be supported with properly executed original invoice
 - d. Any abuse/misuse as determined by the Finance Officer/Assistant County Manager of the small obligation procedure shall cause it to be discontinued for that respective department
- B. All recurring/blanket obligations must be supported by an official purchase order in accordance with all sections of this policy
1. The dollar amount of any single item under a blanket purchase order shall not exceed \$5,000
- C. Emergency purchase orders may be issued on a case by case basis in accordance with all sections of this policy

IV. ELECTRONIC PAYMENTS

- A. In order for electronic transactions to qualify for an exemption from the pre-audit requirements in G.S. 159-28(d1), the disbursement must be in compliance with the rules adopted by the Local Government Commission as detailed below:
- a. The amount claimed is payable
 - b. There is a budget, project, or grant ordinance appropriation authorizing the expenditure
 - c. The monies remain within the appropriation to cover the amount that is due during the current fiscal year if accounted for in the budget ordinance, or to cover the entire amount if accounted for in a project or grant ordinance
 - d. The unit has sufficient cash to cover the payment

~~C.~~

~~IV-V.~~ **ARCHITECTURAL/ENGINEERING/CONSULTANTS**

- A. All architectural, engineering and consultant services shall be procured through the office of the Assistant County Manager in accordance with the terms of this policy and applicable general statutes.

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~~V-VI.~~ **CONTRACTS**

- A. All contracts that obligate the County for funds must contain a preaudit certification, signed by the Finance Officer and supported by a purchase order. A contract may require action by the Board of County Commissioners, subsequently requiring the Chairman of the Board's signature along with the County Attorney's review and pre-audit certification by the Finance Officer. Contracts must be delivered to the County Manager, Finance Officer and County Attorney for review. Before execution, all contracts will be checked for compliance with the Local Government Budget and Fiscal Control Act.
- B. All contracts and purchases of \$5,000 more, except those requiring the approval of the Board of Commissioners in Section I and Section II. (2.) Require the approval of the Assistant County Manager.

~~B.~~

VII. PRE-AUDIT CERTIFICATION

- A. Except as otherwise provided by law, no obligation may be incurred by the County unless the budget resolution includes an appropriation authorizing the obligation and an unencumbered balance remains in the appropriation sufficient to pay in the current fiscal year the sums obligated by the transaction for the current fiscal year.
- B. If an obligation is reduced to a written contract or written agreement requiring the payment of money, or is evidenced by a written purchase order for supplies and materials, the written contract, agreement, or purchase order shall include on its face a certificate stating that the instrument has been preaudited to assure compliance with that law. The finance officer or any employee authorized by the Finance Officer shall sign the certificate, which will take substantially the following form:

"This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

(Date)

(Signature of Finance Officer)

- C. No pre-audit certificate is required for (1) an obligation, or a document related to the obligation, that has been approved by the Local Government Commission; (2) payroll expenditures, including employee benefits; or (3) electronic payments, as specified in rules adopted by the Local Government Commission.
- D. An obligation incurred in violation of the requirements of state law as specified in this policy is invalid and may not be enforced. The Finance officer shall establish procedures in accordance with any rules adopted by the Local Government Commission to assure compliance with statutory requirements and this policy.

~~VI.~~VIII. PURCHASE FROM BRUNSWICK COUNTY BUSINESSES

- A. Each department shall take appropriate steps to purchase from Brunswick County
~~-businesses~~, whenever possible, in accordance with all sections of this policy

~~A.~~

~~VII.~~IX. VIOLATION OF POLICY

- A. Any employee who knowingly violates the provisions of this policy shall be subject to disciplinary action in accordance with the Brunswick County Personnel Policy and may be held personally responsible for obligations incurred as set forth in N.C.G.S. 153-28

Adopted this ~~18²⁰~~th day of ~~February~~December, 201~~2~~7.

BRUNSWICK COUNTY BOARD OF COMMISSIONERS

~~William M. Sue~~Frank L. Williams, Chairman
Board of Commissioners

~~Debby Gore~~Andrea White
Clerk to the Board of Commissioners

	Budgetary Appropriation Required	Approval Level County	Type of Competition	County Attorney Approval of Contract or Agreement	Finance Officer Pre-audit	Assistant County Manager Approval of Bid Process	County Issued Purchase Order	Documentation of Bids/Informal Quotes
Construction or Repair \$500,000 or more	Yes	Commissioners	Formal Bids	Yes	Yes	Yes	Yes	Finance
<u>Federally funded construction or or Repair \$150,000 to \$499,999</u>	Yes	<u>County Commissioners</u>	<u>Formal Bids</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>Finance</u>
<u>Non-Federally funded construction or or Repair \$150,000 to \$499,999</u>	Yes	<u>County Commissioners</u>	<u>3 Informal Quotes</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>	<u>Finance</u>
Purchases, <u>services</u> or lease-purchase of apparatus, supplies, materials or equipment requiring expenditure of \$90,000 or more	Yes	County Commissioners	Formal Bids	Yes	Yes	Yes	Yes	Finance
Construction or Repair \$30,000 to \$499,999	Yes	County Commissioners	3 Informal Quotes	Yes	Yes	Yes	Yes	Finance
Construction or Repair \$5,000 to \$29,999	Yes	Asst. County Manager	3 Informal Quotes	Yes	Yes	Yes	Yes	Finance
Purchases, <u>services</u> or lease-purchase of apparatus, supplies, materials or equipment requiring expenditure \$5,000 to \$89,999	Yes	Asst. County Manager	3 Informal Quotes	Yes	Yes	Yes	Yes	Finance
Construction or Repair \$1 to \$4,999	Yes	Department Head	Price Comparison	No	At Payment	No	No	Department
Purchase or lease-purchase of apparatus, supplies, materials or equipment requiring expenditure \$1 to \$4,999	Yes	Department Head	Price Comparison	No	At Payment	No	No	Department

Construction or repair work **for a project** expected to exceed \$499,999 follows the formal bidding rules outlined above for purchases of **\$500,000** or more

Construction or repair work for a federally funded project expected to exceed \$149,999 follows the formal bidding rules outlined above for federally funded purchases of \$150,000 to \$499,999

Construction or repair work for a non-federally funded project expected to exceed \$149,999 but less than \$499,999 follow the informal bidding rules outlined above for non-federally funded purchases of \$150,000 to \$499,999.

Construction or repair work **for a project** expected to exceed ~~\$5,000~~\$4,999 but less than ~~\$499,999~~\$150,000 follow the informal bidding rules outlined above for purchases of \$5,000 to ~~\$1499~~\$1499,999.

Purchases or services provided by a single vendor **within a fiscal year** expected to exceed \$89,999 follow the formal bidding rules outlined above for purchases of \$90,000 or more

Purchases or services provided by a single vendor **within a fiscal year** **expected to exceed \$5,000\$4,999 but less than \$90,000 follows the informal bidding rules outlined above for purchases of \$5,000 to \$89,999**

Purchases, services, construction or repair work of less than \$5,000 require the department to maintain documentation of receiving 3 price comparisons with payment submitted as a small invoice (no purchase

order required)

A single purchase of \$5,000 or more may not be made on a blanket purchase order