

# **CALHOUN COUNTY, TEXAS**

## **PURCHASING POLICY**

**AS PASSED BY COMMISSIONERS COURT ON SEPTEMBER 15, 2000  
AND AMENDED ON DECEMBER 29, 2000, JANUARY 13, 2005,  
SEPTEMBER 14, 2006, AUGUST 13, 2009, FEBRUARY 24, 2011,  
FEBRUARY 13, 2014, AUGUST 11, 2016 AND JUNE 22, 2017**

1. All purchases for requirements and operation of Calhoun County must be made in accordance with Texas State Statutes and must be for legal, ordinary and necessary purposes. Prior to payment the county auditor will approve all payments for legality with the various Texas State Statutes and the Commissioners' Court will approve all payments for ordinary and necessary purposes. Invoices not approved for payment by either the county auditor or the Commissioners' Court will be returned to the department head/elected official responsible for the purchase for disposition.
2. All purchases will be for a quantity suitable to the purpose and at the least possible expense to Calhoun County.
3. Purchases under \$50,000 will originate with the department head/elected official and should be evidenced by a purchase order/request for payment to the vendor. Prior to the issuance of the purchase order/request for payment the issuing department should obtain quotations from at least three responsible suppliers to determine the lowest and/or best price/proposal. In these instances it is the department head/elected official's responsibility to be able to show evidence that he ordered from the lowest and/or best bid/proposal supplier. Emergency purchases should be curtailed by proper planning and anticipating needs far enough in advance that regular purchasing procedures may be followed. Emergency purchases may be made without obtaining quotations from three responsible suppliers with the department head/elected official's approval and should only be made to keep buildings and machinery in operating condition when their idleness would result in expense to Calhoun County or may be made for extreme emergency cases involving public health and welfare cases. In the case of emergency purchases the purchase order/request for payment should be marked "EMERGENCY PURCHASE". Emergency purchases are subject to approval by the Commissioners' Court.
4. Purchases of \$50,000 and over will be made on formal bid or proposal. The request to advertise for bids/proposals along with the appropriate specifications should be submitted directly to the Commissioners' Court. Upon approval of the specifications and authorization to advertise by the Commissioners' Court the county auditor will

place the necessary advertisements and notices for the bid/proposal. All formal bids/proposals will be received by the county judge and will be opened in the office of the County Judge one week before the meeting at which the Commissioners' Court will consider the bids/proposals and will be available for study at the County Judge's office. A suggested order could be as follows:

*The Commissioners' Court hereby orders the approval of the accompanying specifications for the purchase of (item) with the opening of the bid(s)/proposal(s) to be in the County Judge's Office at 10:00 AM on (date one week before consideration) at which place they will be available for study until the Commissioners' Court considers them on (date of Commissioners' Court meeting).*

The Commissioners' Court will award the bid/proposal to the lowest and best bidder or best proposer taking into consideration the recommendation of the appropriate department head/elected official. After the bids/proposals have been awarded the department head/elected official may issue the necessary purchase order/request for payments.

5. County capital projects under \$50,000 will be under the direction of the appropriate department head/elected official. All county capital projects over \$50,000 will be under the direction of the county judge unless the Commissioners' Court, by order, appoints someone else to be responsible for the project.
6. All county employees will keep free from obligation by not accepting gifts or entertainment offered by any supplier for Calhoun County.
7. To be properly processed the purchase order/request for payment must contain the following information:
  - a. Date the purchase order/request for payment is originated;
  - b. Vendor complete name, address and telephone number;
  - c. Department name and exact place where item is to be delivered;
  - d. The department account number to which the expenditure is to be charged;
  - e. The quantity desired;
  - f. An exact description of the item and the use for which the item is to be put;
  - g. Quoted price;
  - h. Signature of the department head/elected official or his authorized representative.
8. The purchase order/request for payment should be prepared with three parts. The second part may be signed by the department head/elected official and forwarded to the vendor supplying the goods/services or the department head/elected official may order the goods/services by any other method of communication. The department should retain the third part for its records. The first part (original) should be held until the goods/services are received and verified as to quantity and amount. After verifying that the goods/services are in order, the department head/elected official or his authorized representative should sign the purchase order/request for payment and submit it along with the vendor's invoice to the county treasurer's office for payment.

The Commissioners' Court, at a public hearing, must approve all purchase order/request for payments prior to payment. Purchase order/request for payments submitted to the county treasurer's office less than four business days before the next Commissioners' Court meeting will not be processed for that meeting.

9. Purchase order/request for payments should not be issued for goods/services that do not have an unencumbered budget balance. If funds are not available the department head/elected official should make a request for transfer of funds from other appropriations or additional funds to the Commissioners' Court. The county auditor is required, by statute, to disapprove for payment any payment that exceeds the budgeted amount. Disapproved purchase order/request for payments will be returned to the department head/elected official for disposition.
10. If a purchase requires a trade-in, such as an automobile, office machines or other equipment, the department head/elected official should request approval of the trade-in from Commissioners' Court prior to the purchase of the new asset. The county auditor's office should be sent a copy of the Commissioners' Court approval of the trade-in along with trade-in's county identification number.
11. All lease/purchase agreements must be approved by the Commissioners' Court and signed by the county judge unless the Commissioners' Court authorized someone else to sign the agreement. All lease/purchase agreements must contain the "government clause" authorizing the return of the equipment if the Commissioners' Court does not appropriate funds for the lease/purchase in a future year. Failure to comply with this provision will result in the department head/elected official becoming liable for any losses sustained by Calhoun County.
12. County employees wishing to purchase items from vendors doing business with Calhoun County should set up their own account with the vendors and not use Calhoun County's account. Calhoun County is exempt from state sales taxes; however county employees are not exempt. Any purchases made through Calhoun County for employees' personal use will be deducted from the invoice and the appropriate department head/elected official will be responsible for the payment of the amounts so deducted along with the appropriate sales taxes.
13. All office supplies, equipment and office machinery will be used only for business related to the operation of county offices and departments. Office equipment and supplies will not be removed from its assigned departmental location for any reason other than for business related to the operation of county offices and departments.
14. County employees, with the exception of members of the Commissioners' Court, will be allowed to bid on surplus property offered to the public at public auction, just as any other citizen of Calhoun County.
15. Department head/elected officials are expected to keep appropriate controls over the use of departmental equipment such as telephones, postage, copy machines, computers

and etc. to assure that use of this equipment is not abused and that Calhoun County is not incurring expense for the personal use of this equipment.

16. County employees traveling on official county business, who incur travel expenses, whether paid personally or through the use of a county credit card, must submit approved travel forms to the County Treasurer or Auditor within 5 days of the completion of the travel. Calhoun County's travel reimbursement plan is an "accountable plan" as outlined in the Internal Revenue Service's regulations. As such, the department head/elected official is responsible for determining what reimbursements for travel will be made by Calhoun County, however in the event that meals are reimbursed where the county employee was not required to spend the night at the travel location, then the meal reimbursement shall be considered additional compensation to the employee and reported on his earnings record as compensation in accordance with Internal Revenue Service regulations. Guidelines for travel are as follows:
  - a. Calhoun County will reimburse actual expense incurred for meals and lodging if detailed receipts are kept by the employee and submitted with the appropriate travel expense form.
  - b. If no detailed receipts are kept, reimbursement to the employee for meals only will be computed at the current federal standard CONUS rates allowable by the Internal Revenue Service for tax purposes for the following:
    - i) Morning Meal
    - ii) Noon Meal
    - iii) Evening MealIn accordance with IRS regulations, the rates will be updated January 1, if applicable, and will be effective for travel during the calendar year.
  - c. No reimbursement will be made for meals or lodging which have been paid by the conference, provided as part of the conference cost or which were not paid for by the employee under this plan.
  - d. Calhoun County will reimburse actual expenses on travel by air, bus or train at the lowest available fares. Department heads/elected officials are responsible for determining the lowest available fares. Detailed receipts are required.
  - e. Mileage reimbursement for authorized use of personal automobiles on county business will be computed at the current rate set by the Internal Revenue Service for tax purposes.
  - f. Calhoun County will reimburse employees for other expense related to the purpose of such travel only if detailed receipts are kept and submitted with the appropriate travel expense form. Exceptions to this rule will be made for reasonable tipping and taxi fees.

- g. It is the responsibility of each department head/elected official to utilize travel funds only for official county business. These funds are budgeted for the purpose of allowing county employees to attend various association meetings, training seminars, education seminars, other county related purposes and the required law enforcement travel relating to prisoners and probationers. It shall be the responsibility of each department head/elected official to see to the strict enforcement of this policy.
  - h. County officials and employees assigned a County vehicle are prohibited from using such vehicle for personal use except for commuting or de minimis personal use. County officials and employees assigned a County vehicle will be required to sign an annual statement that provides the total amount of miles driven for commuting or that states there was no personal use of the vehicle. The County will report the value of personal use miles as compensation to the employee, calculated in accordance with the appropriate Internal Revenue Service guidelines. It is the official/employee's responsibility to be familiar with the Internal Revenue Service guidelines concerning personal use of employer-provided vehicles. The guidelines are available in Publication 463 at [www.irs.gov](http://www.irs.gov). All officials/employees are responsible for maintaining appropriate records to substantiate the use of County-provided vehicles. Should it be determined by the Internal Revenue Service that these guidelines were not followed by the official/employee; the official/employee will be responsible for any penalties, interest, or other charges imposed by the Internal Revenue Service on Calhoun County as a result of the official/employee's failure to comply with the guidelines.
  - i. County law enforcement personnel assigned a County vehicle are required to use the vehicle for commuting. Any personal use of a County vehicle by law enforcement personnel other than for commuting is prohibited.
  - j. Commuting in exceptional circumstances may dictate that such travel is in the best interest of the County and fall within the requirement that travel be reasonably related to County business and therefore not considered as personal use. Travel to public functions such as dedications, civic ceremonies, County fairs, citizens meeting, etc. where attendance is in the interest of the County and not personal or political in nature is considered to be County business travel
  - k. County officials/employees will be required to keep an accurate and timely log of any commuting or personal mileage.
17. Grant applications must be authorized by Commissioners Court.

The department head/elected official who is awarded a grant shall adhere to all procurement guidelines, policies, and procedures in the application, assurances, award, and documentation of the state or federal grant.

The department head/elected official must strictly adhere to all procurement requirements of federal grants, programs, or allocations noted in the 2 CFR Part 200 and supplements as applicable by the Catalog of Federal Domestic Assistance (CFDA) Number. The CFDA number is provided for all federal funding sources. Where specific procurement direction is not provided for in 2 CFR Part 200 or supplements, the department head/elected official shall abide by the “common rule” which is published by each separate federal agency.

The department head/elected official is responsible for checking the debarment status of all vendors before contracting with or making any purchases with funds from any federal grant. The Excluded Parties Listing Systems (EPLS) is an electronic database of parties excluded from federal procurement and non-procurement programs and is located at <https://www.SAM.Gov>. The EPLS identifies those parties excluded throughout the U.S. Government (unless otherwise noted) from receiving Federal contracts or certain subcontracts and from certain types of Federal financial and nonfinancial assistance and benefits.

Prior to procuring or entering into contract(s) for any goods/services, the department head/elected official must check the debarment status of the vendor using the EPLS system (<https://www.SAM.Gov>) and document that verification has occurred. If the vendor is found to be debarred, the vendor may not be used for procurements utilizing federal funds. If the vendor is found not to be debarred the department head/elected official must print the screen from the EPLS indicating the vendor is not debarred and attach this documentation to the invoice when it is submitted to the county auditor for approval. This policy applies to the procurement of all good(s) or service(s) regardless of unit price or quantity.

Furthermore, because vendors are being removed and new ones added on a daily basis, department head/elected officials are required to verify and attach documentation that the vendor is not debarred before issuing a new purchase order/check request, contract or single time purchase.