

County of Hanover Purchasing Manual

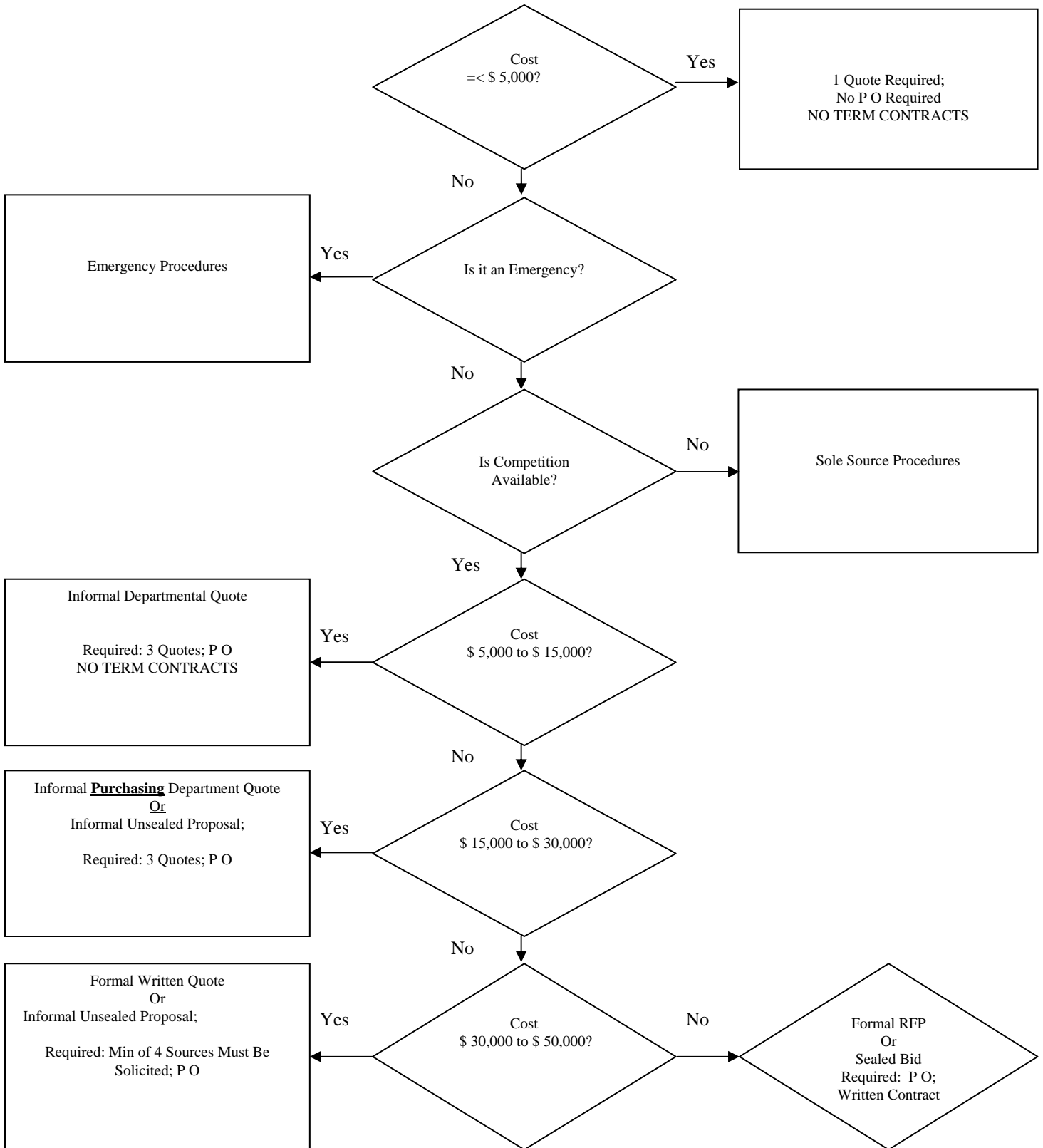
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FOREWORD

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This Purchasing Manual is divided into two PARTS. There is also an APPENDIX:

- PART 1: contains POLICIES that have been approved by the Board of Supervisors pursuant to certain sections of the Virginia Public Procurement Act.
- PART 2: contains REGULATIONS approved by the County Administrator and PROCEDURES approved by the Director of Purchasing that describe in more detail the general practices to be followed in procurement transactions;
- APPENDIX: contains SAMPLE FORMS and DIRECTIONS

Procurement of goods and services by public bodies in Virginia is generally governed by the VIRGINIA PUBLIC PROCUREMENT ACT; the Board of Supervisors has adopted Article IV, Chapter 2 of the Hanover County Code which mandates compliance with the applicable statutes and authorizes the County Administrator to manage the procurement process, including the issuance of the Regulations in this Manual. The policies, regulations and procedures in this Manual provide guidance for procurement of goods and services and for disposal of surplus property.

The Director of Purchasing (“the Director”), coordinates procurement functions as designee of the County Administrator. Limited procurement authority is delegated to the departments and agencies by the County Administrator.

Unless specifically exempted within this Manual, this Policy and these Regulations and Procedures are applicable to all departments and agencies of County government procuring goods, services and construction through the County Purchasing Department. Questions about the content of this Manual or circumstances not addressed in the manual should be referred to the Purchasing Department staff.

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PART 1

POLICY

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1.1 Authority

The statutes governing the procurement of goods and services from nongovernmental sources are contained in the Virginia Public Procurement Act. Hanover County Code Chapter 1, Article IV, adopted pursuant to the Act by the Board of Supervisors mandates compliance with applicable statutes and ordinances and expresses the intention of the Board that procurement of goods and services shall be conducted to be cost effective and beneficial to the County and its residents, and to otherwise conform to the goals of the Virginia Public Procurement Act.

1.2 Delegation of Authority

The Hanover County Board of Supervisors delegates the procurement responsibility to the County Administrator subject to the limitations and terms included in this Policy. In all cases, reference to a County or other official in this Manual shall be deemed to include designees of the official. The County Administrator shall be responsible for the purchase of all goods and services for the County and for disposal of surplus property. The County Administrator may designate the Director of Purchasing to be responsible for procurement and for disposal of surplus personal property. Any purchase not made in accordance with the applicable laws, this Policy and Regulations issued by the County Administrator and directives of the Director of Purchasing shall be deemed an unauthorized purchase for which the County shall not be obligated. Any employee who engages in purchasing goods or services in a manner inconsistent with the applicable laws, this Policy, Regulations issued by the County Administrator and directives of the Director of Purchasing shall be subject to disciplinary measures as defined in the Hanover County's Personnel Policies. No obligation shall be made for any purchase in excess of the amount appropriated for that purpose as reflected in the County budget.

1.3 Purpose and Applicability

- 1.3.1 This Policy is adopted to guide the County in obtaining high quality goods and services at reasonable cost, in conducting all procurement procedures in a fair and impartial manner with avoidance of any impropriety or appearance of impropriety, in providing access to the County's public business for all qualified vendors, and in promoting efficient procurement practices among all County departments.
- 1.3.2 Rules governing contract awards shall be made clear in advance of the competition, specifications shall reflect the procurement needs of the County rather than being drawn to favor a particular vendor, and the County and the vendor shall freely exchange information concerning what is sought to be procured and what is offered. In addition, surplus property is to be disposed of on a competitive basis whenever practicable.
- 1.3.3 This Policy and Regulations and Directives issued pursuant to this Policy establish means of purchasing materials, supplies, equipment and services by the County. Unless specifically exempted in this manual, these Policies and related Regulations and Procedures are applicable to all departments and agencies of County government funded in whole or in part by the County and for which obligations are paid through the Hanover County Finance Department.
- 1.3.4 Procurement of goods and services and disposal of surplus property shall be conducted in accordance with the Virginia Public Procurement Act, ("the Act"), except as amended by alternative regulations adopted by the Hanover County Board of Supervisors. The provisions of the Act are incorporated herein by reference, except as amended by alternative regulations.

SECTION 2 AUTHORITY TO: AWARD, REJECT AND CANCEL SOLICITATIONS

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APPROVE DISPOSAL OF SURPLUS PROPERTY
MAKE DETERMINATIONS OF NONRESPONSIBILITY
SIGN CONTRACTS
ESTABLISH POLICIES, REGULATIONS AND PROCEDURES GOVERNING PROCUREMENT
FUNCTIONS

2.1 General Authority

The County reserves the right to accept, reject or cancel any or all solicitations or parts thereof, to waive informalities, and to reissue solicitations. The County also reserves the right to award the contract as it deems will best serve its interests. It further reserves the right to award the contract on a lump sum basis, individual item basis, or such combination as shall best serve the interests of the County. This may include multiple awards if provided for in the solicitation.

2.2 Authority for Award and for Execution of Contracts, Change Orders

The levels of authority for the award of contracts, rejection and cancellation of solicitations, and other procurement functions including the purchase of goods and services, construction, sole source purchases, emergency purchases, issuance of change orders, and debarment of vendors are listed below. No contracts may be awarded or purchases authorized at any level unless adequate funds have been appropriated by the Board of Supervisors pursuant to policies of the Finance Department. Authority for any procurement functions not specified in this Section shall be determined by the County Administrator. Subject to Paragraph 2.5 of this Section, the Purchasing Director and Deputy Purchasing Director shall have authority to sign all contracts which have been properly awarded.

2.2.1	Purchasing Officer:	<u>AUTHORIZATION LEVEL</u>
2.2.1.1	Award Contracts for Goods, Services, Construction, Change Orders, Sole Source Purchases, and Emergency Purchases	\$ 5,000 and less
2.2.2	<u>Director Of Purchasing:</u>	<u>AUTHORIZATION LEVEL</u>
2.2.2.1	Award Contracts for Goods, Services, Construction, and Sole Source Purchases	\$ 100,000 and less
2.2.2.2	Approve Change Orders	\$ 50,000 and less
2.2.2.3	Approve Emergency Purchases, Cancellation and Rejection of Solicitations, Prequalification of Bidders/Offerors, Renewal of Contracts, Cooperative Contracts (State, GSA, other).....	No Limit
2.2.3	<u>County Administrator:</u>	<u>AUTHORIZATION LEVEL</u>
2.2.3.1	Award Contracts for Goods, Services, Construction and Sole Source Purchases	No Limit
2.2.3.2	Approve Change Orders	No Limit
2.2.3.3	Approve Determination of Nonresponsibility, and Debarment of Vendors	No Limit
2.2.3.5	Approve Disposal or Transfer of Surplus Personal Property	No Limit
2.2.4	<u>Board Of Supervisors:</u>	<u>AUTHORIZATION LEVEL</u>
	Approve Disposal or Transfer of Surplus Real Property	No Limit

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2.3 Award of Term Contracts

For purposes of this Policy, the procedure for award of term contracts shall be determined by the estimated value of the contract for the initial term of the contract. The Director of Purchasing shall establish the length of these contracts and the number of renewal terms.

2.4 Special Provision – Community Services Board

The Executive Director, Community Services Board, is authorized to sign contracts awarded in accordance with these policies and the approved performance contract entered into with other providers, as defined by Va. Code Section 37.1-403, for the delivery of services and operation of facilities.

2.5 Authority to Sign—Purchasing Department Staff

No contract shall be signed by the Purchasing Department staff member who initiated the procurement for which the contract is being issued.

2.6 Issuance of Procedures and Directives

The Director of Purchasing shall issue Procedures, and may issue Directives providing additional requirements for procurement functions, and shall interpret and administer the applicable laws and regulations.

SECTION 3 SMALL PURCHASE PROCEDURES

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Competitive sealed bids or competitive negotiation shall not be required for single or term contracts for goods and services if the aggregate or the sum of all phases is not expected to exceed \$50,000. Small purchase procedures shall be included in regulations approved by the County Administrator. Procurement procedures shall provide for competition whenever practicable.

SECTION 4 SECURITY, INSURANCE, AND INDEMNIFICATION

4.1 Bonds

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A Bid Bond, Performance Bond, and Labor and Material Payment Bond are required for construction contracts expected to exceed \$ 50,000 and may, at the discretion of the Purchasing Department, be required for contracts of lesser value, and for non construction contracts. Security may be in the form of cash escrow, letter of credit or bond from a surety company authorized to do business in Virginia and acceptable to the County. The Director of Purchasing shall set the amount of the Bond, and may prescribe additional requirements related to security.

4.2 Insurance

In consultation with the user department, Purchasing Department staff will determine the appropriate types and levels of insurance coverage to be included in solicitations. Departments are encouraged to consult with Purchasing Department staff for appropriate insurance types and amounts for quotes obtained by departments.

4.3 Indemnification

Purchasing Department staff shall include an indemnification provision in all formal written solicitations issued by the Purchasing Department unless the Director of Purchasing waives this requirement in writing.

SECTION 5 CONTRACTUAL CLAIMS AND INVOICES

Contractual claims, whether for money or other relief, shall be submitted in writing no later than 60 days after final payment; however, written notice of the Contractor's intention to file such claim shall have been given at the time of the occurrence or beginning of the

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work upon which the claim is based. Any notice or claim shall be delivered to the County Administrator, Hanover County Government Building, 7516 County Complex Road, Hanover, Virginia 23069 and shall include a description of the factual basis for the claim and a statement of the amounts claimed or other relief requested. The County Administrator shall render a decision on the claim and shall notify the Contractor within 30 days of receipt of the claim. The Contractor may appeal the decision of the County Administrator to the Board of Supervisors by providing written notice to the County Administrator, within 15 days of the date of the decision. The Board of Supervisors shall render a decision on the claim within 60 days of the date of receipt of the appeal notice and such decision shall be final unless the Contractor appeals the decision in accordance with the Virginia Public Procurement Act. Invoices for all services or goods provided by the Contractor shall be delivered to the County no later than 30 days following the conclusion of the work or delivery of the goods, unless other terms are prescribed by contract.

SECTION 6 PARTICIPATION OF SMALL, MINORITY AND WOMEN OWNED BUSINESSES

- 6.1 The Purchasing staff shall adhere to the following to facilitate small, minority-owned and women-owned business participation:

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- 6.1.1 Competitive sealed bids and requests for proposals, or notices of the issuance thereof, shall be sent to all bidders or offerors listed in eVA for the applicable categories for the goods/services sought. eVA includes certified minority vendors provided by the State Department of Minority Business Enterprise.
- 6.1.2 The Purchasing Department shall cooperate with the State Department of Minority Business Enterprise, United States Small Business Administration and other public or private agencies with respect to the participation of small businesses and those owned by minorities and women.

SECTION 7 ETHICS

7.1 ETHICS

- 7.1.1 The Purchasing Department staff and all County employees engaged in procurement activities are subject to and should be generally familiar with the provisions of the Virginia Conflict of Interests Act and with the provisions of

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the Virginia Public Procurement Act relative to ethics in public contracting. Copies of the statutes shall be available in the Purchasing Department and questions should be directed to the Director of Purchasing.

- 7.1.2 In accordance with the Virginia Public Procurement Act, solicitation or acceptance of gifts from bidders, offerors, contractors or subcontractors is prohibited. No official or employee shall have a personal interest in a transaction or contract if such interest is prohibited by the Virginia Conflict of Interests Act. The County Administrator shall endeavor to provide appropriate information regarding these prohibitions to employees and affected volunteers.

SECTION 8 NONDISCRIMINATION

The County does not discriminate in the solicitation or award of contracts because of race, religion, color, gender, age, disability, status as a service disabled veteran, or national origin of the bidder or offeror. It is the responsibility of County employees, particularly those employees involved in procurement, to ensure that all vendors are permitted equal opportunity and access to participate in County procurement opportunities, and that no vendor be denied equal opportunity or access because of race, religion, color, gender, or national origin.

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END OF PART 1