
CITY OF POQUOSON PURCHASE PROCEDURES QUICK REFERENCE GUIDE



May 1999
Revised: 07/2007,

GOALS

The purchasing system operated by the City of Poquoson strives to:

- **EMPHASIZE** quality, value, and integrity in all procurements;
- **EXERCISE** positive fiscal control over public expenditures;
- **DELEGATE** purchasing authority when possible and prudent;
- **PROMOTE** administrative efficiency, and
- **COMPLY** with the Virginia Public Procurement Act.

INTENT

The purpose of this guide is to assist employees engaged in procuring goods and services for the City of Poquoson. It provides a "quick reference" to City purchasing procedures but **does not replace** the City of Poquoson Purchase Procedures Manual. Wherever conflicts between procedures identified in the Purchase Procedures Quick Reference Guide and the Purchase Procedures Manual occur, the provisions of the Purchase Procedures Manual shall in all cases apply. When in doubt, the City Manager and the Director of Finance are available to provide assistance and answer questions. Ultimately, the success of the purchasing process will depend on all departments conscientiously following established purchasing procedures.

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

Table of Contents

	<i>Page</i>
Responsibilities.....	1
Unauthorized Purchases	2
Petty Cash Purchase Procedures	2
Credit Card Purchase Procedures.....	2
Payment Voucher Procedures.....	3
Small Purchase Procedures.....	3
Formal Bids and Proposals.....	4
Sample Telephone Request for Quotation Form	5
Sample Written Request for Quotation Form.....	6
Source Selection.....	7
Purchase Requisitions.....	7
Purchase Orders, Authority, and Shipment	8
Sample Purchase Order Form.....	9
Purchase Order Substitutions, Amendments, and Cancellations	9
Receipt of Orders.....	10
Loss or Damage in Transit	11
Freight Charges	11
Vendor Visits.....	11
Billings and Payments.....	11
Procurement Review	11

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

Timetable.....	12
Expediting.....	12
Scheduled Purchasing, Adherence to City Standard Specifications	12
Sole Source and Emergency Procurements	13
Office Supplies and Equipment.....	14
Maintenance Contracts	14
Surplus Property Disposal	14

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

Responsibilities.

... of City Council

- * appropriates funds
- * approves contracts for goods or services of ~~\$30,000~~ \$100,000 or more, except for recurring expenditures such as salaries, utilities, school, and library payments
- * authorizes use of competitive negotiation for other than professional services as an alternative to competitive sealed bidding for purchases over ~~\$30,000~~\$100,000
- * approves contracts over ~~\$20,000~~\$100,000 for **professional services**
- * approves sale or lease of real property for 5 years or more
- * approves purchase or lease of real property for 5 years or more costing \$25,000 or more
- * approves other specific contracts
- * ~~issues a written determination~~ approves contracts for sole source and emergency purchases that are over ~~\$30,000~~\$100,000

...of the City Manager

- * serves as chief contracting officer
- * approves purchase orders over ~~\$30,000~~ \$50,000
- * approves consultant, engineering & construction contracts
- * authorizes, as Council's agent, use of competitive negotiation for **other than professional services** as an alternative to competitive sealed bidding for purchases that are ~~\$30,000~~ \$100,000 or less
- * authorizes, as Council's agent, permission to **purchase** goods from a public auction
- * debars persons/firms, for cause, from consideration for award of contracts
- * appoints administrative appeals panel members
- * approves contract modifications increasing cost by no more than 25% or \$10,000, whichever is greater
- * approves sole source and emergency purchases that are ~~\$30,000~~ \$100,000 or less
- * executes contracts *for other than professional services* between ~~\$15,000~~ \$10,000 and ~~\$30,000~~ \$100,000, or greater than ~~\$30,000~~ \$100,000 at the direction of Council

...of the City Attorney

- * enforces and renders opinions regarding the Virginia Conflict of Interest Act
- * reviews and approves contracts *as to form* when requested by City Manager
- * approves alternative forms of security for bid bonds

...of the Assistant City Manager

- * disposes of surplus property

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

...of the Director of Finance

- * assists in the development and review of bid specifications for items to be purchased
- * determines the most appropriate procurement methodology
- * directs and manages the purchasing system
- * approves purchase orders less than ~~\$30,000~~ \$50,000
- * manages formal bid and proposal programs

...of Department Heads and their designated employees

- * conduct various procurement responsibilities
- * prepare purchase requisitions
- * receive and inspect materials
- * sign contracts under ~~\$5,000~~ \$10,000
- * detect and correct discrepancies
- * submit documents to substantiate payment
- * prequalifies bidders

...of the Finance Department

- * pays vendors
- * provides financial management data

Unauthorized Purchases. No person shall purchase or contract for any goods, services, insurance or construction on behalf of the City except as authorized by and in full compliance with the Purchase Procedures Manual. Any purchase order or contract made contrary to these provisions is not approved and the City shall not be bound thereby.

Failure to comply with the requirements of the Purchase Procedures Manual shall be cause for disciplinary action in accordance with the City's Personnel Manual.

Petty Cash Purchase Procedures. The use of Petty Cash shall be highly discouraged. The City has established a petty cash fund in the Treasurer's Office, Parks and Recreation and Library. The fund should be used for small out-of-pocket expenses (i.e. postage, office supplies, mileage, etc.) to reimburse employees who have been authorized to purchase items. All receipts shall be signed and dated by the employee who made the purchase, approved by the Department Head or authorized designee, and shall bear appropriate description budgetary line item codes for each item purchased. The City does not pay the sales and use tax when goods are purchased for the City. Under extenuating circumstances, the Director of Finance may approve reimbursement. It is ~~the employee's responsibility to ensure~~ imperative that the employee ensures that the vendor does not charge sales tax. A Sales and Use Tax Certificate of Exemption form ~~should~~ must be presented to the vendor prior to the purchase. This form can be obtained from the Finance Department. A petty cash receipt signed by the employee and an authorized City official is required. No disbursement from the fund may total more than \$50.

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

Credit Card Purchase Procedures. Purchases may be made by authorized City employees using store credit cards. All credit card receipts shall be signed and dated by the employee who made the purchase, approved by the department head or authorized designee, and shall bear appropriate description budgetary line item codes for each item purchased. Receipts for meals shall include the detailed receipt of food purchased, ~~and~~ the credit card receipt, *persons in attendance and purpose*. City employees submit to the Finance Department a completed payment voucher along with the original credit card receipt within (3) three working days. The payment voucher must be signed and dated by the department head. *The City does not pay sales tax on credit card purchases. It is the responsibility of the cardholder to ensure sales tax is not charged and to remedy any sales tax charges that were erroneously charged.*

Payment Voucher Procedures. Department heads may make small purchases under ~~\$2,500~~ \$5,000, including any shipping charges, at their discretion and within their budget availability. Such purchases must be charged to the appropriate budgetary line item codes. If budget funds are not available payment may be denied and the person who ordered the goods may be held personally responsible for payment of the invoice. Once the bill is received it should be attached with a copy of the invoice to a Payment Voucher and sent to the Finance Department for payment of the invoice. Neither a Purchase Requisition nor Purchase Order is required. This procedure should not be used for items that are procured under a Term contract or Blanket Purchase Order Agreement.

SUMMARY OF POQUOSON PURCHASING PROCEDURES AND REQUIREMENTS

<i>Anticipated Cost</i>	<i>Quotations Required?</i>	<i>Bids or Proposals Required?</i>	<i>Purchase Order Required?</i>	<i>Authority to Approve Contract</i>
Under \$2,500 <u>\$5,000</u>	Desirable	No	No	Departmental
\$2,500 <u>\$5,000</u> to \$4,999 <u>\$9,999</u>	3 Verbal*	No	Yes	Departmental
\$5,000 <u>\$10,000</u> to \$29,999 <u>\$49,999</u>	Written	No	Yes	City Manager
\$30,000 <u>and over \$50,000</u> to \$100,000	No <u>Written</u>	Yes**	Yes	City Manager, Council
\$100,000 <u>and over</u>	<u>Written</u>	Yes**	Yes	<u>City Council</u>
	*or written	**must be advertised		

Small Purchase Procedures. The majority of day-to-day purchases, those not exceeding ~~\$30,000~~ \$49,999, may be made using small purchase procedures. Departments must not circumvent competitive procurement requirements by fragmenting orders for like goods or services so that they fall within the dollar limits established for small purchases.

Although the City does not require formal competition for small purchases, negotiation and competition constitute major components of its small purchase procedure. Departments ~~may~~ must secure either verbal or written price quotations (*see chart above*) for purchases between ~~\$2,500~~ \$5,000 and ~~\$9,999~~ \$49,999; however, departments shall obtain formal written quotations for purchases of goods and services that are ~~\$5,000~~ \$10,000 or greater. Request for Quotation forms are available

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

from the Finance Department. These forms should be used to record both written and verbal quotations. (Samples of both these forms appear in this Guide.)- In either case, departments shall solicit the required number of quotations, and keep the information gathered with the purchase orders as backup documentation. *Departments shall not reveal quotations to competing vendors prior to award,* and should conduct a price check on expenditures of any dollar amount when buying unfamiliar materials.

Formal Bids and Proposals. Formal bids and proposals are required for all procurements of ~~\$30,000~~ \$50,000 or greater. The City Manager's Office and the Finance Department should review all formal bids and proposals prior to issuance. Department heads are responsible for preparation of all necessary documents including the bid/proposal request, special conditions, specifications, scope of work, advertisement, bid/evaluation sheets, and the bidders' list. Answers to technical questions arising during the bidding process are the responsibility of the department, which will coordinate a reply and ensure that all potential suppliers are provided the same information.

Departments must take care during the bidding and negotiation processes to avoid disclosure of sensitive or confidential information to competing bidders or offerors. Once competitive sealed bids are opened, the entire bid file becomes public information and may be released. Once competitive sealed proposals are received and opened, they shall be evaluated and *remain confidential until an award recommendation is made.* ~~may then be discussed with offerors. The only public information that may be released during this phase of the process is the number of proposals received and the names of the offerors. The name of the successful offeror and award price shall not be released until the contract recommendation has been approved for award.~~ All inquiries and requests for information regarding competitive sealed proposals will be directed to the responsible department head, unless otherwise specified in the Request for Proposals.

The City of Poquoson Purchase Procedures Manual includes detailed procedures for competitive sealed bids and competitive negotiation.

Formal bids and proposals must be kept on file for a period of 5 years *after the end of the contract period* and is subject to the City's annual financial audit. Therefore, all documents must be kept in an organized manner and be available for the auditors. **Appendix B, Section 109 of this Manual.**

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

Sample Telephone Request for Quotation Form

Finance Department

PHONE QUOTE RECORD

Date:	Recorded By:
Time:	Requisition Number:

Item No.	Description	Qty.	Vendor #1	Vendor #2	Vendor #3
TOTALS					

Vendor #1 Name: _____ Phone: _____ Contact: _____	Vendor #2 Name: _____ Phone: _____ Contact: _____	Vendor #3 Name: _____ Phone: _____ Contact: _____
--	--	--

Purchase from Vendor #1
 Terms: _____

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

Sample Written Request for Quotation Form

<p>City of Poquoson Finance Department 500 City Hall Avenue Poquoson, VA 23662 757-868-3030</p> <p>REQUEST FOR QUOTATION Number: _____ Issue Date: _____</p> <p><u><i>THIS IS NOT AN ORDER</i></u></p>			
<u>Quantity</u>	<u>Description</u>	<u>Unit Price</u>	<u>Amount</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Name of Company _____			
By (Signature) _____			
Title _____			
Quotation Date _____			
			_____ Buyer

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

Source Selection. The Virginia Division of Purchases and Supply maintains term contracts for a wide variety of goods and services. In addition, the City participates with other municipal governments in cooperative procurement agreements for items such as police vehicles, photocopier paper, janitorial supplies, and uniform rental. Departments may purchase under these contracts and benefit from the lower prices that result from quantity buying. ***Departments shall use State contracts and cooperative purchase agreements as preferred sources of supply whenever it is to the City's advantage.***

Purchase Requisitions. A properly completed purchase requisition should be prepared by the department and signed by the Department Head. The completed form is forwarded to the Finance Department for use in generating a purchase order to a specific vendor. A sample Purchase Requisition appears on the next page.

A purchase order is required before goods or services are purchased.

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

Purchase Orders, Authority, and Shipment. There are many decisions that will have to be made by the department head. His/her experience and judgment will determine, to a large degree, the success of the purchase considering the needs of the department, advantages to the City, and the relationship with the vendor. Some of the elements of the purchase requisition should be evaluated as follows:

- a. Delivery date
- b. Inspection and acceptance considerations
- c. F.O.B. Point considerations
- d. Dollar value or procurement
- e. Prospect of competition
- f. Discount for early payment
- g. New Vendor requires a W9 form
- h. Certificate of Insurance form

Competition normally exists when three or more qualified sources of supply compete independently and on an equal basis for the City's requirements. Except for valid sole source items, adequate competition should be sought. Although the purchase request so indicates, the buyer cannot always assume that the only potential sources are those listed.

The Department Head submits a completed Purchase Requisition to the Finance Department. The Finance Department will assign the next numerical Purchase Order. Once the Director of Finance signs the Purchase Order, 3 copies will be distributed as follows:

1. ***Vendor*** - copy delivered by hand, mail or fax.
2. ***Requesting Department*** – copy retained for filing with other purchase documentation, along with ~~the yellow~~ a copy of purchase requisition with all verbal and written quote information.
3. ***Finance Department*** - copy retained with all original purchase documentation.

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

Sample Purchase Order Form

PURCHASE ORDER	CITY OF POQUOSON	*****
PAGE- 1 Batch # 654	500 CITY HALL AVE	** PURCHASE **
	POQUOSON, VA 23662-0000	** ORDER NUMBER **
	PHONE # 757-868-3030	** 61229 **
	FAX # 757-868-3101	*****
		DATE-2006/12/12

VENDOR- RUMMEL, KLEPPER & KAHL 002757	SHIP TO- CITY OF POQUOSON	
11838 ROCK LANDING DR	CITY MANAGER'S OFFICE	
SUITE 140	500 CITY HALL AVE	
NEWPORT NEWS, VA 23606	POQUOSON, VA 23662	

ORDER DATE- 2006/12/12 SHIP VIA- ATTENTION- PAYMENT TERMS: NET 30 DAYS
 REQUESTED SHIP DATE- 00000000 REFERENCE-

ITEM NO.	STOCK#	QUANTITY	UNIT ISSUE	DESCRIPTION G/L NUMBER	UNIT COST	EXTENDED COST
1		1		FINAL ELEVATION CERTIFICATE 001-4-040-045100-3140- FOR 5 HOMES UNDER 1ST HMGP, PHASE I	2,750.000	2,750.00
TOTAL COST						\$2,750.00

***** IMPORTANT *****
 OUR PURCHASE ORDER NUMBER MUST APPEAR ON ALL PACKING SLIPS, INVOICES, AND CORRESPONDENCE.
 PLEASE ADVISE US IF YOU ARE UNABLE, FOR ANY REASON, TO SHIP ON THE REQUESTED DATE.
 THIS PURCHASE IS EXEMPT FROM TAX UNDER PROVISIONS OF ALL STATE RETAIL SALES AND USE TAX ACTS.

ORDER TYPE- NO CHARGE/CORE APPROVED BY- L DESSOFFY DATE- 2006/12/12

L Dessoffy

Purchase Order Substitutions, Amendments, and Cancellations. Substitutions on purchase orders must be approved in advance by the department head issuing the award. Any goods delivered that do not meet purchase order specifications may be returned to the vendor at the vendor's expense. It is the responsibility of department personnel to immediately notify the Finance Department, ~~as appropriate,~~ when prices or items are changed on a purchase order. The authorized purchaser either accepts or rejects the change in writing. *Departments should be careful about permitting changes that were not agreed upon during initial negotiations.* Changes concerning quantity or price on orders less than ~~\$2,500~~ \$5,000 (which do not require purchase orders) may be verbal. Changes affecting orders ~~greater than \$2,500~~ \$5,000 or greater, and all changes regarding specifications regardless of value, must be written. No fixed price purchase order shall be increased by more than 25 percent of the amount or \$10,000 (whichever is greater) without the advance written approval of the City Manager.

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

No purchase order may be cancelled except in writing by the department head that issued the order. Vendors who deviate from the requirements of a purchase order prior to receipt of an order authorizing such substitution, change, or cancellation do so at their own risk.

Receipt of Orders. Departments are responsible for receiving and inspecting their orders. Packing slips or invoices shall accompany all shipments and shall reference the purchase order number assigned by the ordering department. Shipments are to be checked against the departmental copy of the purchase order to verify that quantities, units, etc., match the original order. Overshipments may be rejected and returned at the vendor's expense. Vendors should be given a specific delivery location and should receive a signed receipt of the goods delivered.

Department heads shall complete the receiving report copy of each purchase order upon receipt of the order by signing their name, the date of receipt of the items and any discrepancies or other notations. The receiving report shall be forwarded with packing slips, bills of lading, statements, and other substantiating documentation to the Finance Department for vendor payment within five days of the completion of the order.

When an order is received, the department should:

- (1) Examine shipping cartons for obvious/apparent damage.
- (2) Locate packing lists and freight bills.
- (3) Count and verify items received against packing lists.
- (4) Examine the items received for damage. If damage is found, the employee receiving the shipment should write a complete description of the damage and immediately notify the department head or Finance Department, as appropriate.
- (5) If the shipment is complete, the employee receiving the shipment should sign and date the receiving report, attach the packing slip, and forward both to the department head or Finance Department, as appropriate, for comparison against the vendor invoice.
- (6) If the shipment is incomplete, the employee receiving the shipment should note the shortage on the packing slip and forward it to the department head or Director of Finance Department, as appropriate. The same method should be followed for each shipment received until the order is complete. *Do not send the receiving report or invoice to the Finance Department until all items are received.*

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

Loss or Damage in Transit. The City accepts title only when goods are received, regardless of the FOB point. The receiving department will note all apparent damages in transit on the freight bill and notify the vendor. Discovery of concealed damage or loss must be reported by the receiving department to the carrier and the vendor within seven days of receipt, and prior to removal from the point of delivery. The vendor will make immediate replacement of the damaged or lost merchandise and will be responsible for filing a claim against the carrier. If damage is to a small quantity, and the department will not be inconvenienced because of the shortage, the department head may deduct the amount of damage or loss from his or her invoice to the city in lieu of replacement.

Freight Charges. Normally, all orders placed by City departments will require prices to be FOB destination, including only the actual freight rate costs at the lowest and best rate and based upon the actual weight of the goods to be shipped. If an order is placed FOB origin, the vendor shall be required to prepay the charges and add the amount to the invoice. A copy of the freight bill is to be attached to all invoices that include freight charges.

Vendor Visits. The City welcomes visits to its departments by current and prospective vendors. In order that the staff and vendors may schedule their time most productively, vendors are advised to make appointments with Department Heads before visiting.

Billings and Payments. The name, address and telephone number of the requisitioning department is to be shown on each purchase order. Vendors shall be instructed to submit invoices directly to: **City of Poquoson, Finance Department, 500 City Hall Avenue, Poquoson, VA 23662.** If, after initially contacting the requisitioning department, a vendor has an unresolved payment problem with a contract or purchase order, the vendor should be referred to the Finance Department. Department heads may initiate partial payments when portions of an order have been received in good condition and have been properly invoiced by the vendor.

Procurement Review. The Director of Finance is responsible for reviewing specifications and sources of supply, and the Department Head and the Director of Finance are jointly responsible for developing a list of acceptable vendors of a specific product or service whenever necessary. Departments may not materially alter specifications without discussion with the Director of Finance. Review of purchase orders includes, but is not limited to:

- (1) Requests for "sole source" and "emergency" purchases.
- (2) Requests for goods of a quality that seems to be greater or less than required.
- (3) Requests where materials seem inconsistent with requirements.
- (4) Requests that do not conform to City standards.
- (5) Requests without proper authorization.

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

Timetable. A smooth-functioning organization requires the processing of purchase orders in a timely fashion. Departments should consider the following guidelines when establishing priorities. (All delays significantly beyond these processing times will be discussed with the requisitioner.)

<i>Procurement Type</i>	<i>Processing Time</i>
<i>Rush (Emergency) Orders</i>	Immediately
<i>Regular Orders</i>	3 to 5 days
<i>Invitation for Bids</i>	30 to 45 days
<i>Request for Proposals</i>	60 to 90 days

Expediting. Departments are responsible for follow-up on all overdue or back-ordered purchase orders. In order to accomplish prompt receipt of materials, departments shall regularly review their logs of purchase orders issued and:

- (1) Locate any order where the material has not been received by or after the anticipated delivery date.
- (2) Ascertain whether the material is still outstanding and required.
- (3) If the material has not been received but is no longer required, the requestor shall write "CANCEL" in the description area of the receiving report, sign, and date it and return it to the department head. Upon receipt of the receiving report, the department head shall prepare written notification to the vendor advising that the order has been cancelled. The Department Head should then forward the receiving report to the Finance Department so the encumbered funds can be released.
- (4) If the material has not been received and is still required, the department head shall call the vendor and ascertain the shipping date, noting the expected date of receipt in their logs of purchase orders issued, on the receiving copy of the purchase order, and on any other pertinent information derived from the vendor.

Scheduled Purchasing, Adherence to City Standard Specifications. The Finance Department will identify commodities where consolidation of orders, scheduled buying and use of standardized specifications will be to the City's advantage and will directly manage the purchase of those particular groups of commodities according to a predetermined schedule or standardized specifications.

Examples of these purchases include but are not limited to computer systems, hardware, software, telephone equipment, long-distance services, and various supplies. Requesting departments will forward requisitions for these items to the Finance Department for issuance of purchase orders.

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

Sole Source and Emergency Procurements. While the City of Poquoson strives to employ competitive procedures throughout its purchasing system, under certain circumstances sole source contract awards are necessary to serve the best interests of the City and its citizens. Sole source awards involve procurements through the solicitation of a bid or proposal from only one source. All sole source and emergency procurements require written documentation that it is not practical to procure the required goods and services using competitive procedures.

All written determinations for non-competitive procurements of goods, services, insurance or construction items estimated to cost between ~~\$2,500~~ \$5,000 and ~~\$30,000~~ \$50,000 shall be approved by the City Manager. The City Manager shall approve contracts for goods or services normally requiring formal competitive sealed bidding or competitive negotiation (~~\$30,000+~~) (\$50,000). City Manager approval for any sole source or emergency purchases should be obtained prior to initiation of the procurement process. If the sole source or emergency procurement is not approved by the City Manager, the purchase requisition will be returned to the department.

A sole source or emergency purchase determination documents the basis for the sole source or emergency determination, indicates that only one source was determined to be practicably available, and identifies the item being procured and the contractor selected. Copies of the written determination will be maintained by the requesting department and the Finance Department.

City Council shall approve sole source or emergency purchases exceeding ~~\$30,000~~ \$100,000. A public notice documenting the details of the sole source or emergency procurement shall be posted in a designated public area in the requesting department or published in a newspaper of general circulation on the date the City awards or announces its decision to award the contract, whichever comes first.

A contract may be awarded through non-competitive negotiation only for:

- (1) the procurement of goods and services which the City ~~Council~~ has determined in writing are provided by only one source;
- (2) an emergency, as defined in Appendix A of the Purchase Procedures Manual;
- (3) the procurement of goods and services produced or performed by persons in schools or workshops under the supervision of the Virginia Department for the ~~Visually Handicapped~~ Blind and Vision Impaired;
or by any other non-profit sheltered workshop or organization providing transitional or supported employment services for the handicapped;
- (4) the procurement of goods and services required in emergency situations where urgency will not permit the delay associated with competitive solicitation;
- (5) the procurement of legal services, the employment of expert witnesses, and other services

PURCHASE PROCEDURES QUICK REFERENCE GUIDE

associated with litigation or regulatory proceedings.

- (6) procurements from the state penitentiary, state contracts, state purchasing department warehouse, or for special ~~undercover police work~~ *confidential operations* when certified by the Police Chief.

Office Supplies and Equipment. In most cases, departments will obtain their own office supplies and equipment. However, departments should strive to combine orders for commonly used items to take advantage of quantity discounts whenever possible.

Maintenance Contracts. Departments are responsible for forwarding all equipment and building maintenance contracts to the Finance Department for processing. If the annual amount of the maintenance contract is ~~\$2,500~~ *\$5,000* or greater a purchase order is required on a fiscal year basis. The Department head is responsible for managing and updating maintenance files whenever an agreement is due for renewal. When a maintenance contract is in effect, the user department will place a telephone call directly to the company for service on the covered equipment.

Surplus Property Disposal. A full description and relevant details of surplus and obsolete property should be submitted to the Assistant City Manager, who shall investigate all proposals to dispose of surplus property. In collaboration with the department head, the Assistant City Manager will either negotiate reassignment to another department, ~~obtain the City Manager's approval to destroy or prepare a recommendation to advertise by sealed bid or sell by auction.~~ All sales shall be made in compliance with Commonwealth of Virginia statutes, and all bidding shall be open to the general public. **No City employee or member of a City employee's immediate family shall participate in a sealed bid sale by the City, but City employees may participate in public auctions.** The Assistant City Manager shall collect all proceeds, turning them over to the Treasurer as soon as possible. Sale, donation, or exchange to another government entity or bona fide non-profit organization is exempt from the above procedure provided prior approval is obtained from the City Manager.

The Finance Department must be informed about the disposal of surplus property for fixed assets, ~~anything~~ *purchased greater than \$5,000*, as well as ~~property insurance.~~