

ERATH COUNTY PURCHASING POLICY

Local Government Code Section 113.901 required counties to use a requisitioning system to purchase goods and services. The requisition must be authorized by the county office ordering the purchase.

The requisition shall contain the following information:

- 1) Date of requisition (month, day, year)
- 2) Name of department
- 3) Line item expense number
- 4) Quantity required
- 5) Description
- 6) Purpose
- 7) Signature of office holder
- 8) Estimated cost

Purchases of goods and services costing in total between \$5,000.00 and \$9,999.99 shall require written requests for price quotations. Purchases exceeding \$10,000.00 shall comply with the Local Government Code Section 262 and 271 Subchapters F and G.

- 1) The requests shall be sent to at least three vendors. The list of vendors shall be rotated so that, over time, all vendors are contracted equally.
- 2) The price quotations shall contain the following information:
 - a. Signed name and address of vendor
 - b. Description of item
 - c. Quantity required
- 3) The written quotations shall be attached to said requisitions and kept in a safe record-keeping place, subject to audit at any time. One copy of the quotations shall be forwarded to the County Auditor's office.
- 4) Forms for use in procuring price quotations will be available at the office of the County Auditor.

Purchases of goods and services costing in total between \$1,000.00 and \$4,999.99 shall require written or telephone price quotations and in compliance with Local Government Code Section 262 and 271 Subchapters F and G.

- 1) Written or telephone requests for price quotations shall be made to at least three vendors.
- 2) The written price quotations shall be made as prescribed for purchases over \$4,999.99. For telephoned price quotations, certain information shall be provided to the vendors:
 - a. Description of items
 - b. Number of items required

- c. Date delivery required
 - d. Term and conditions of purchase
- 3) The following telephoned price quotation information shall be obtained and recorded on said requisition:
- a. Name and address of vendor
 - b. Total or unit price
 - c. Name and telephone number of representative giving the quote
- 4) Forms for use in procuring telephone price quotations will be available in the office of the County Auditor.

Purchases of goods and services that constitute an obligation to Erath County beyond thirty (30) days shall require Commissioners' Court approval before entering into said contract. Examples of these goods and services include, but are not limited to, copy machine service contracts, computer contracts, maintenance related expenditures, ice machine leases, and postage machine rentals.

Purchase of all goods and services, regardless of cost, shall be made in compliance with Local Government Code Section 262 and 271 Subchapters F and G.

Total purchase price of goods and services costing less than \$1,000.00:

Upon Office Holder approval, Office Holder or designated representative may call or go to the County Auditor's Office to provide necessary information to review budget and assure available budgeted funds. Upon finding budgeted funds available in the appropriate line item County Auditor's Office will issue a Purchase Order on which a sequential Purchase Order number will be printed. Evidence of Office Holder approval will be required before a Purchase Order is issued. Such approval may be made by telephone contact with the County Auditor's Office or by signature on the Purchase Order. Purchase Order numbers issued by telephone will be available in the County Treasurer's Office awaiting signature by Office Holder and matching of invoices with approved Purchase Orders. A copy of the Purchase Order will be given to the Office Holder for record.

Total purchase price of goods or services costing \$1,000.00 or more but less than \$5,000.00:

Office Holder prepares or reviews the prepared Purchase Requisition form to assure the goods or services are appropriate. Office Holder or designated representative makes the required three telephone contact bids and completes that portion of the Purchase Requisition Form. Office Holder evidences his/her approval of the completed Purchase Requisition Form by signature and submits the Form to the County Auditor's Office. County Auditor's Office will review the Purchase Requisition Form to assure appropriate accounts are designated and will review the budget for available funds in that line item. Upon finding budgeted funds available in the appropriate line item, County Auditor's Office will issue a Purchase Order on which a

sequential Purchase Order number will be printed. A copy of the Purchase Order will be given to the Office Holder for record.

Total purchase price of goods or services costing \$5,000.00 or more, but less than \$10,000.00:

Office Holder prepares or reviews the prepared Purchase Requisition form to assure the goods or services are appropriate. Office Holder or designated representative requests the required three written bids and completed that portion of the Purchase Requisition Form. Office Holder evidences his/her approval of the completed Purchase Requisition Form by signature and submits the Form to the County Auditor's Office. County Auditor's Office will review the Purchase Requisition Form to assure appropriate accounts are designated and will review the budget for available funds in that line item. Upon finding budgeted funds available in the appropriate line item, County Auditor's Office will issue a Purchase Order on which a sequential Purchase Order Number will be printed. A copy of the Purchase Order will be given to the Office Holder for record.

Total purchase price of goods or services costing \$10,000.00 or more:

Items costing \$10,000.00 or more will require Competitive Bidding to be followed as outlined in Local Government Code Section 262, and, generally state that the Commissioners' Court must approve notice, publishing, opening, and awarding of the bid.

Process of payment after Purchase Order Approval and receipt of goods or services:

Approved Purchase Orders will be maintained in the County Treasurer's Office awaiting match with invoices. After invoices arrive and are matched with corresponding purchase orders, the purchase order and the invoice and the requisition as a packet will be sent to the Office Holder, County Judge, and the County Auditor for final approval. Payments will be made according to policy established in the County Treasurer's Office.

Process of reoccurring service invoices or statements:

Upon receiving an invoice or statements for a reoccurring service such as, the phone, electric, water, gas, and all equipment leases the invoices should be reviewed, a purchase order generated after verifying budgeted funds are available, and "automatic pay" written on the Office Holder's line of the purchase order. The purchase order packets should then be approved by the County Judge and the County Auditor. The vendors for reoccurring services are to be approved by Commissioners' Court annually.

POLICY APPROVED AND ADOPTED BY:

ERATH COUNTY COMMISSIONERS' COURT

ORIGINAL

DATE: March 14, 1994

READOPTED

DATE: October 27, 2003

READOPTED with modifications

DATE: July 25, 2011

READOPTED with modifications

DATE: June 25, 2012