

**CITY OF OZARK,
ALABAMA**

PURCHASING

I. AUTHORITY AND RESPONSIBILITY

To set forth the purchasing authorities and procedures of the City. The City Clerk is the Purchasing Agent for the City with and the Chief Financial Officer is his/her authorized representative.

The Purchasing Agent is authorized to consummate all purchases of the City. Such purchases will be for a municipal purpose and for which funds have been appropriated by the City.

II. PURCHASE LIMITS

- A. The Purchasing Agent may execute purchases on his/her own authority up to the limit allowed by State Bid Law for each item.
- B. Department Heads, or their designees, (not more than four (4) full time employees) may execute purchases on their own authority for each purchase not exceeding \$500.00 in value or \$1,000.00 for vehicle repairs or parts and no purchase order is required. Department Heads will prepare and maintain a current list of designees for the Purchasing Agent, who in turn will notify vendors.
- C. All purchases shall be of a quality to meet the intended purpose at a price most advantageous to the City.
- D. Purchases between \$500.01 (\$1,001.00 vehicle repairs or parts) and \$14,999.99 shall be made by submission of a purchase requisition to the Purchasing Agent giving detailed ordering information and specifications. At least three telephone quotes may be obtained by the Department Head or Purchasing Agent for purchases of \$500.01 to \$5,000.00. Copies of telephone quotes shall accompany the request for purchase order. At least three written quotes shall be obtained by the Department Head or Purchasing Agent for purchases of \$5,000.01 to \$14,999.99. Copies of the written quotes shall accompany the request for purchase order.

- E. Purchase Orders for \$500.00 or less will not be issued (\$1,000.00 or less for vehicle repairs or parts).
- F. A purchase order shall be used to document all expenditures of public funds for items over \$500.00 (\$1,000.00 vehicle repairs or parts).
- G. Purchases shall not be divided into portions for the purpose of avoiding solicitations of quotes or purchase requisitions.
- H. Prior to the issuance of a purchase order, the requisition shall be approved for available funding and purpose by the Purchasing Agent.
- I. The Purchasing Agent has the authority to make inspection and require tests of deliveries in order to determine quality and conformance with specifications.

III. APPROVED VENDORS

The Purchasing Agent is responsible for approving and maintains a listing of vendors that are eligible to do business with the City of Ozark. A form W-9 must be kept on file for each approved vendor. Requests for use of a new vendor must be submitted to Purchasing in writing by the department head. No purchases can be initiated without vendor approval from Purchasing Agent.

IV. ALABAMA BID LAW

A. BID REQUIREMENTS AND EXCEPTIONS

Unless otherwise provided, a single purchase estimated to exceed \$15,000.00 shall be made through formal bid procedures. Exceptions to this rule are for purchasing cooperative or government purchasing alliances that have been approved by the Alabama Department of Public Examiners for using proper purchasing procedures, emergency purchases, contracts for professional services, purchases under State of Alabama contracts, purchases of books and periodicals from publishers; purchase of real property, purchases from another governmental agency, and purchases of certain type of repairs of equipment.

B. LETTING OF CONTRACTS WITHOUT PUBLIC ADVERTISEMENT

In case of emergency affecting the public health, safety or convenience, as declared in writing by the department head, the contract may be let to the extent necessary to meet the emergency without public advertisement. This action will be made public by the awarding authority. (Sec. 41-16-23).

C. AWARD OF CONTRACTS

When a formal bid procedure is required, the Purchasing Agent shall invite sealed bids from all responsible prospective vendors. Sealed bids must be opened in public and accepted or rejected by the Mayor and City Council.

D. CONFIDENTIALITY OF PRICE QUOTES

Quoted prices of vendors and suppliers will remain confidential until all quotes are received and opened in bid opening. The quotes of one vendor will not be used to negotiate a lower quote from another.

E. COLLUSION

Any agreement or collusion among bidders is restraint of freedom of competition, by agreement to bid at a fixed price or to refrain from bidding or otherwise, shall render the bids of such bidders void and shall cause such bidders to be disqualified from submitting further bids, and constitute a violation of this policy.

F. DEBARMENT AND SUSPENSION

Any quotes or bid specifications obtained for products or services funded by Federal grants shall include obtaining documentation that selected vendor has not been debarred or suspended. The documentation can be obtained from the vendor direct or confirmed by searching the System of Award Management (SAM).

G. FEDERAL CONTRACT REQUIREMENTS

Bid documents or contracts with vendors may require performance bonds, prepayment bonds, a penalty clause, payment timelines, etc. The purchaser and Chief Financial Officer should assure these Federal requirements are addressed in the specifications and contracts.

V. SOLE SOURCE

If a purchase is a sole source purchase, a memorandum shall accompany the requisition justifying the purchase from one vendor only. Exceptions to this requirement may be granted by the Purchasing Agent for those purchases excluded from competitive bid in State law, and for the following reasons properly documented to substantiate the decision:

- A. Items where such purchase price has been set by the Federal Government, or the State of Alabama.
- B. Requirements to maintain a degree of continuity with the original or existing décor, equipment, or programs, where an attempt to quote could result in operational or functional inconsistency.
- C. When a quote attempt results in no response, orders will be placed with the first reliable source with suitable price, quality and delivery.
- D. When the Purchasing Agent determines that three quotes cannot feasibly be obtained.

VI. BENEFICIAL INTEREST

No member or employee of the governing body of the City shall be financially interested or have any personal beneficial interest, either directly or indirectly, in the purchase of, or contract for, any personal property or contractual service for the City, nor willfully make any purchase or award any contract in violation of this provision

VII. RESERVATION OF AUTHORITY

The Council and Mayor reserve the right to change, modify, or amend this Purchasing Policy as the need arises.

ADOPTED THIS ____ day of _____ 20____.

Council President

Mayor

ATTEST:

City Clerk