ORDINANCE NO. 2006-05-16

STATE OF GEORGIA

COUNTY FULTON

AN ORDINANCE AMENDING CHAPTER 2, ADMINISTRATION, ARTICLE 7, PURCHASING, SECTION 1, DEFINITIONS, SUBSECTIONS (A) THROUGH (N), SECTION 3, GENERAL PROCUREMENT EFFORTS, SUBSECTION (D)(N) AND SECTION 6, EMERGENCY PURCHASES, SUBSECTION (C), SECTION 7, INFORMAL PURCHASES, SUBSECTION (A), SECTION 8, FORMAL PURCHASES, SECTION 9, COMPETITIVE BIDDING, SUBSECTION (B) SEALED BID PROCEDURE (V) AND SUBSECTION (C), SECTION 10, COMPETITIVE SEALED PROPOSALS,, SUBSECTION (B) PROCEDURE FOR SEALED PROPOSALS (iii) AND (v), SECTION 11, MULTI-STEP COMPETITIVE SEALED PROCUREMENT, SUBSECTION OF THE CODE OF ORDINANCES OF THE CITY OF SANDY SPRINGS, GA

BE IT ORDAINED by the City Council of the City of Sandy Springs, GA while in regular session on May 16, 2006, at 7:00 p.m. as follows:

SECTION 1. That the Ordinance relating to Amending Chapter 2, Administration, Article Purchasing, is hereby adopted and approved; and is attached hereto as if fully set forth herein, and;

SECTION 2. All ordinances, parts of ordinances, or regulations in conflict herewith are repealed.

SECTION 3. That the First Reading of this Ordinance was on May 2, 2006; and

SECTION 4. That the Second Reading of this Ordinance was on May 16, 2006; and

SECTION 5. This Ordinance becomes effective upon adoption.

ORDAINED this the 16th day of May, 2006.

Approved:

Eva Galambos, Mayor

Attest:

Jeanette R. Marchiafava, City Clerk

(Seal)

Amended by Ordinance No. 2006-05-16
May 16, 2006

Article 7: Purchasing

Section 1: Definitions

When used in this Article, the following words, terms, and phrases, and their derivations shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning. Any terms not defined by this Article shall have the meaning ascribed to them elsewhere in this Code.

(a) City Attorney represents the City in all legal matters and has the authority to provide standard terms and conditions of contracts and purchase orders and approves various negotiated terms and conditions as determined by the Purchasing Agent.

(b) *City Finance Director* means the City Accountant, his agent, or the Chair of the City Finance Department, if such a department is created, or is in existence. (Ref. Article 6 City Charter)

(c) *City Manager* means the top executive/administrative position appointed by the City Council and has the authority to execute and approve contracts, purchase orders, and change orders within his/her delegated authority. (Ref. Article 2, Section 3.04 City Charter)

(d) *Construction* means the process of building, altering, improving, or demolishing any public structure or building, or other public improvements of any kind to any public real property. The term "Construction" does not include the routine operation, repair and/or maintenance of existing structures, building, or real property.

(e) *Contract* means any City agreement, regardless of form or title, for the procurement or disposition of goods, commodities, and services.

(f) *Employee* means an individual drawing a salary or wage from the City whether on a full-time or part-time basis. The term shall encompass all members of the Governing Authority without regard to whether or not such individual is compensated.

(g) *Gifts or Favors* means any thing or any service of value.

(h) *Goods or Commodities* means supplies, apparatus, materials, equipment, and other forms of tangible personal property.

(i) *Governing Authority* means the City entity responsible for the contract and/or the Purchasing Division.

(j) *Payment Terms*: 2% Net 20

(k) *Ordinance* means this Article.

(l) *Purchase Order* means the document used by the City to obtain supplies, goods, commodities and services from vendors.

(m) *Purchasing Agent* means the principal purchasing official of the City pursuant to Section 2 of this Article.

(n) *Vendor* means one who sells goods or services; a supplier.

Section 2: Purchasing Agent

(A) The Council may appoint the City Manager or his agent to serve as the Purchasing Agent for the City, or the Council may contract with an independent third party to serve as the Purchasing Agent.

(B) Duties. The Purchasing Agent shall have the following duties and powers:

(i) Arrange and negotiate the purchase or contract for all equipment, supplies and contractual services for the City or any using agency; arrange and negotiate for the sale or otherwise dispose of all surplus equipment and supplies or real estate of the City or any using agency;

(ii) Maintain a perpetual or periodic inventory record of all materials, supplies, or equipment stored in City storerooms, warehouses, and elsewhere, including monthly reports that provide

(C) The titles of all requests for proposals and the method of source selections to be used;

(D) All contracts authorized by the Council, the method of source selected used and the total dollar amount;

(E) All emergency contracts awarded pursuant to this Article.

(D) All change orders or contract modifications authorized by the Council, the dollar amount and the reason;

(F) All change orders or contract modifications authorized by the Purchasing Agent, the dollar amount and the reason;

(G) An explanation of any changes, and the costs involved, in the scope of services made between the time a contract is awarded and the time that a resolution authorizing the contract is sent to the Council for adoption.

(iii) Control and supervise all City storerooms and warehouses unless otherwise provided in this code; and

(iv) Develop and maintain a purchasing policy and procedure manual which will be updated by the Purchasing Agent periodically.

(v) Direct efforts to procure services through advertisements of bids as required by this Article and by state law.

(vi) Require bonds, insurance and other forms of protection for the City on the process of procuring goods and services for the City.

(vii) Terminate solicitations for bids for any good(s) or service(s) when, in the opinion of the Purchasing Agent, it is in the City's best interest to do so. This includes termination for breach of contract or anticipated breach of contract.

(viii) Reject any and all bids, when in the opinion of the Purchasing Agent it is in the City's best interest to do so.

(ix) Consult with the City Attorney if a contracting party breaches or is reasonably anticipated to breach its contract with the City.

Section 3: General Procurement Efforts

(a) Non-Discrimination. To the extent not required by federal law, the City shall not consider race, gender, national origin, or religion when evaluating bids for City contracts or the disposition of City property. To the greatest extent practicable, the bids submitted to the City will not convey the race or gender of the submitting party or the majority of shareholders in the submitting corporation.

(b) The Council remains the final policy maker for all decisions of the Purchasing Agent.

(c) The City may procure goods or services through (1) emergency purchases; (2) informal purchases; or (3) formal purchases. Unless otherwise specified, competitive bidding shall apply to informal and formal purchases.

(d) Exceptions. Competitive Bidding shall not apply in the following instances:

(i) A good is available from only one source or supply, or when standardization or compatibility is the overriding consideration;

(ii) The purchase is pursuant to a contract with (a) the United States of America or an agency thereof of (b) any government unit or agency thereof within the United States for the purchase, lease, or other acquisition of goods;

(iii) The purchase is for:

(A) Works of art for public places

(B) Printed copyright material including published books, maps, periodicals, and technical pamphlets (not including software for computer systems), except where a greater savings can be realized by a quantity purchase

(C) Real property, real estate brokerage and appraising, abstract of titles for real property, title insurance for real property, and other related costs of acquisition of real property

(D) Subscriptions, dues, memberships, and Board member fees

(E) Services provided directly to individual citizens and employees including reimbursements and other miscellaneous payments
(F) Utilities, including but not limited to electricity and telephone service
(G) Licensed health professions
(H) Training, travel, and lodging or meal expenses
(I) Items for resale that require a particular manufacturer to enhance their marketability
(J) Legal advertisements
(K) Repair of equipment
(L) Repair of buildings where the extent of the project cannot be predetermined
(M) Professional services not covered in this Ordinance.
(N) Emergency purchases
(iv) Purchases or contracts where the Governor's Commission for the City of Sandy Springs, which was created pursuant to O.C.G.A. § 31-36-8, followed a specific procedure, issued a request for proposals or a request for information, and the proposals or responses were reviewed by representatives of the Governor's Commission and the members of the Governor's Commission and were made available to the members of the public at large.

Section 4: Pre-audit clearance

The Purchasing Agent shall not approve any contract for goods or services until the City Director of Finance or City Accountant certifies, after pre-audit, that there is to the credit of the using department, a sufficient unencumbered appropriation balance in excess of all unpaid obligations, to defray the amount of such contract. Subject to the approval of the City Manager and City Finance Director or City Accountant, the Purchasing Agent may issue operating rules to verify compliance with this section.

Section 5: Small Purchases

The Purchasing Agent shall establish procedures for purchasing goods or services for less than $5,000.00. These procedures must include quotations from as many competitive sources as reasonably practical.

Section 6: Emergency Purchases

(a) Notwithstanding any other section of this Code, when the City Manager determines that an emergency exists, the Purchasing Agent may make or authorize others to make emergency procurements for supplies, services, construction items, or professional or consultant services. The City Manager shall make such determination when there exists a threat to public health, welfare, or safety under emergency conditions. Such emergency procurements shall be made with as much competition as is practicable under the circumstances.

(b) A written determination of the basis for the emergency and for the selection of the particular contractor shall be included in the contract file. As soon as practicable, a record of each emergency procurement shall be made and shall set forth the contractor's name, the amount and type of the contract, a listing of the item procured under the contract, and the identification number of the contract file.

(c) If an emergency should arise after office hours which requires immediate action on the part of the department involved for the protection of the best interest of the City or if a like situation arises on a Sunday or holiday and when it is not possible or convenient to reach the purchasing department, any purchase necessary shall be made by the official in charge of such department, and such purchase reported to the Purchasing Agent within 24 hours.

Section 7: Informal Purchases

(a) All contracts for the purchase of goods and services involving the estimated expenditure of $5,000.00 or more of public money, but less than $100,000.00 (except those described in Section 3 (d), hereof) shall be made after informal bids are secured.

(b) In addition to the normal publication of bids, the Purchasing Agent may directly solicit informal bids from no less than three businesses. The Purchasing Agent shall keep a record of all bids submitted and the record shall be available for public inspection after the contract is awarded, in the manner provided by law.

(c) The Purchasing Agent shall develop written procedures for implementing the provisions of this section, which shall be subject to the approval of the City Manager and City Finance Director. Such procedures shall be made publicly available.

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Section 8: Formal Purchases

Except as otherwise provided in this Ordinance, no contract for the purchase of goods and/or services involving the estimated expenditure of $100,000.00 or more of public money shall be awarded unless the provisions of this section are followed. The Purchasing Agent, subject to the approval of the City Manager and City Finance Director, shall make the determination of the method of procurement.

Section 9: Competitive Bidding

(a) All purchases of, and contracts or agreements for supplies and contractual services, having an approved budget estimate greater than $5,000.00 except as otherwise provided herein, shall be based wherever reasonably possible on three or more sealed competitive bids after publishing notice of request for bids. Where budget estimates are under $5,000.00, quotations shall be obtained from as many competitive sources as possible.

(b) Sealed Bid Procedure.

(i) Bids shall be invited by advertisement in a newspaper having general circulation in the City and distributed 6 days per week within the City limits. The advertisement shall state the time and place where specifications may be obtained, and the time and place for opening of bids unless otherwise directed by the Council. At least fourteen full days must pass between the day the advertisement appears and the day of the bid opening. The advertisement shall state that the City reserves the right to reject any or all of the bids and to make award that is in the best interest of the City.

(ii) The Purchasing Agent may require that bid deposits be submitted with each bid. If bid deposits are required, they shall be in an amount equal to 5 percent of the amount of the bid and may be submitted in the form of a bid bond signed by a surety company authorized to do business in the State of Georgia, cashier's check, certified check issued by a bank or trust company insured by the Federal Deposit Insurance Corporation, or any other form of bid security deemed sufficient by the City Attorney or his designee. The bid deposit requirement, including the form in which the bid security may be submitted, shall be included in the specifications.

(iii) Bids shall be sealed. All bids shall be publicly opened and the Purchasing Agent shall make or oversee the making of a record of the bids received. The record and the bids received shall be subject to public inspection after the bid opening in the manner prescribed by law.

(iv) As provided in the invitation for bids, the Purchasing Agent may require the successful bidder to furnish a payment and/or performance bond to secure the faithful performance of all of the terms of the contract. The payment and/or performance bond shall be in a form approved by the City Attorney and the form of the bond(s) shall be included in the specifications.

(v) All contracts of $100,000.00 or more, or sole source and non-budget approved line items, excluding commodity purchases, to which this section applies shall be in writing and shall be approved by the City Council. The City Council may reject any and all bids.

(c) The lowest responsive, responsible bid meeting specifications for purchases shall be accepted by the Purchasing Agent or, if the Purchasing Agent, relevant Department, or other contracting authority finds that the lowest bid is not in the City's best interest, whereupon the Purchasing Agent may accept another bid or may call for additional bids. The City reserves the right to reject all bids. If the Purchasing Agent finds that the lowest bid is not in the City's best interest, he must file reasons for that finding with the Council before the next scheduled meeting.

(d) In addition to price on all bids or quotations, the following shall be considered, but not limited to in determining responsiveness:

(i) The ability, capacity, and skill of the person or firm offering the bid or quotation to perform the contract or provide the service required;

(ii) Whether the person or firm can perform the contract or provide the service promptly, or within the time specified, without delay or interference;

(iii) The quality of performance on previous contracts or services with the City or others;

(iv) The previous and existing compliance by the person or firm with laws and ordinances relating to the contractual service or supplies;

(v) The sufficiency of the financial resources and ability of the person or firm to perform the contract or provide the service;

(vi) The quality, availability, and adaptability of the supplies, or contractual services to the particular use required;

(vii) The ability of the person or firm to provide future maintenance and service for the use of the subject of the contract; and

(viii) The number and scope of conditions attached to the bid or quotation.

(ix) The above requirements shall not apply to any projects for which the City receives aid from any federal agency, state agency, or foundations, when unit prices have been established by such other agency. The contractor shall be selected from contractors certified by the agency supplying the funds for the project. In addition, the Purchasing Agent shall further ascertain that existing and future procurement procedures are in accord with applicable federal guidelines regulating procurement procedures for recipients of federal funds.

(x) The above requirements shall not apply in sole source procurements where there is only one vendor capable of providing particular goods or services as determined by the Purchasing Agent.

Section 10: Competitive Sealed Proposals

(a) When the Purchasing Agent determines, in writing, that the use of the competitive sealed bid is either not practical or not advantageous to the City, a contract may be entered into by use of the competitive sealed proposal. Use of the proposal is dependent upon such factors as:

(i) When the quality, availability, or capability is overriding in relation to price in procurement of technical supplies or services;

(ii) When the initial installation needs to be evaluated together with subsequent maintenance and service capabilities and what priorities should be given these requirements in the City's best interest;

(iii) If a fixed price or cost type contract is more advantageous or;

(iv) Whether the market place will respond better to a solicitation permitting not only a range of alternative proposals, but evaluation and discussion of them before making the award.

(b) Procedure for Sealed Proposals.

(i) Proposals shall be requested by advertisement in a newspaper having general circulation in the City. The advertisement shall state the time and place where specifications may be obtained and the time and place for deadline for receipt of proposals unless otherwise directed by the Council. At least 14 full days must pass between the day the advertisement appears and the day of the deadline for receipt

of proposals. The advertisement shall state that the City reserves the right to reject any or all of the proposals.

(ii) Proposals shall be sealed. All proposals shall be received in public and the Purchasing Manger shall make or oversee the making of a record of the proposals received. The name of each proposer shall be announced but no other information shall be disclosed nor shall the proposals be considered an "open record" until a contract is awarded. The record of the proposals received shall be subject to public inspection after the deadline for receipt in the manner prescribed by law.

(iii) Recommendation for award of contract shall be made to the proposer that submits the proposal deemed in the best interest of the City taking into account the evaluation factors outlined in the proposal documents. A team consisting of no less than three persons shall conduct evaluation of proposals. This team shall include the Purchasing Agent, the Head of the user department, and an additional representative of the user department selected by the respective Department Head. Final approval shall be performed by the City Manager.

(iv) As provided in the invitation for proposals, the Purchasing Agent may require the successful proposer to furnish a performance bond to secure the faithful performance of all of the terms of the contract. The performance bond shall be in a form approved by the City Attorney and the form of the bond shall be included in the specifications. The City Council may reject the bond of any proposer if they find it to be unacceptable.

Section 11: Multi-Step Competitive Sealed Procurement

The multi-step competitive sealed procurement method may be used when the City desires to award a contract not necessarily based on price, and when specifications may not be readily available or when technical qualifications are essential for the decision making process. This type shall take the form of request for proposals or request for information and shall follow the following format. If time is of the essence, the two steps can be combined with the priced offer submitted in a separate sealed envelope at the time of submission of the technical offer. The pricing data is to remain unopened until evaluation of technical offers is complete.

(a) The solicitation shall be advertised in a newspaper having general circulation in the City. The advertisement shall state the time and place where documents may be obtained, and the time and place for deadline for receipt of proposal unless otherwise directed by the Council. At least 14 full days must pass between the day the advertisement appears and the day of the deadline for receipt of documents. The advertisement shall state that the City reserves the right to reject any or all documents received.

(b) The initial step shall consist of solicitation of technical offers with no costs or prices included. Unweighted evaluation criteria shall be included in the solicitation documents. A team consisting of no less than three persons shall evaluate the results of this solicitation. This team shall include the Purchasing Agent, the Head of the user department, and an additional representative of the user department selected by the respective Department Head. Evaluation shall follow the same criteria as under request for proposals.

(c) In the second step, those who submitted technical offers deemed responsible and responsive in the initial step are then asked to submit price bids.

(d) Proposals shall be sealed. All proposals shall be publicly opened and the Purchasing Agent shall make or oversee the making of a record of the proposals received. The record and the proposals received shall be subject to public inspection after the proposal opening in the manner prescribed by law.

(e) Award of proposal shall be made to the bidder that submits the lowest responsible and responsive proposal that meets the specifications contained in the proposal documents and is in the best interest of the City. The City reserves the right to make award if a single proposal is received.

(f) If required by the soliciting documents, the Purchasing Agent may require the successful contracting party to furnish a payment and/or performance bond to secure the faithful performance of all of the terms of the contract. The

payment and/or performance bond shall be in a form approved by the City Attorney and the form of the bond(s) shall be included in the specifications.

Section 12: City Surplus Property

(a) All using agencies shall submit to the Purchasing Agent, at such times and in such form as he or she shall prescribe, reports showing stocks of all supplies which are no longer used or which have become obsolete, worn out or scrapped.

(b) The Purchasing Agent shall have the authority to transfer surplus stock to other using agencies.

(c) The Purchasing Agent shall have the authority to sell all supplies which have become unsuitable for public use, or to exchange the same for, or trade in the same on, new supplies, upon approval of the City Manager.

(d) The Purchasing Agent may dispose of all personal property of the City in a manner consistent with this code section. Competitive bids shall be encouraged to the extent possible.

Section 13: Bid Protests and Appeals

(a) Any party that submits a bid pursuant to this Article and has a good faith basis to protest the bid, must prepare a formal complaint to be filed with the City Manager. The complaint shall specify the alleged act or omission by the City that provides the basis for the complaint.

(b) Upon the filing of a complaint, within 3 working days, the City Manager shall request a response from the City Purchasing Director within 30 days. Failure by the City Purchasing Director to file a response may be considered as evidence by the City Manager.

(c) If requested by either party, the City Manager or his designate shall have a hearing on the complaint and decide the merits of the claim. The City Manager is empowered to decide that the contract at issue be voided, upheld, or whatever other relief may be necessary. The Council shall approve or reject the City Manager's decision.

(d) If the party bringing the complaint disagrees with the conclusions of the City Manager and Council, the decision may be appealed to the Superior Court of Fulton County.

CITY OF SANDY SPRINGS

FINANCIAL MANAGEMENT PROGRAM

PURCHASING POLICIES

Developed under the Authority
of the City Council by the
Department of Finance, and
approved by Ordinance No. 2006-05-16
on May 16, 2006.

PURCHASING POLICY

I. Purpose

The purpose of this policy is to state the City's position regarding the purchasing responsibility and authority. This document will clarify purchasing functions and outline purchasing procedures, as well as describe departmental relationships, responsibilities and participation in the procurement cycle. In addition, this policy will provide control functions, assure proper record keeping and confirm purchases in writing.

The philosophy behind this policy is one of separating the need for an item or service from the function of negotiation and executing the necessary contractual purchase agreement. The determination of the need for an item or service is clearly the responsibility of the department which will ultimately use the item or service.

This regulation will clarify the City Ordinance Article 7 and will in no way be contrary to this ordinance.

II. Scope

The scope of this purchasing policy covers the procurement of **ALL MATERIALS AND SERVICES** without regard to the past method by which the material or service has been or is customarily procured. The policy covers all contractual and purchase agreements between the City of Sandy Springs and another company or person. The procurement function includes the initial agreement/purchase, renewals, changes and/or re-negotiations. This policy establishes the specific responsibility and authority of the procurement of materials and services.

For clarification purposes, these purchasing policies are not required to be followed by CH2MHILL service orientation contract personnel. This contractual agreement is service oriented in nature and was competitively procured in conjunction with the creation of the City. However, as part of the audit process, the CH2MHILLl internal controls and accounting processes will be evaluated and a measure of assurance given as a requirement of completion of the City's annual audit.

III. Definitions

When used in this policy, the following words, terms, and phrases, and their derivations shall be the meaning ascribed to them in this section, except where the context clearly indicates a different meaning,

A. CITY FINANCE DIRECTOR means the City Accountant, his agent, or the Chair of the City Finance Department, if such a department is created, or is in existence.

B. CONSTRUCTION means the process of building, altering, improving, or demolishing any public structure or building, or other public improvements of any kind to any public real property. The term "Construction" does not include the routine operation, repair and/or maintenance of existing structures, buildings, or real property.

C. CONTRACT means any City agreement, regardless of form or title, for the procurement or disposition of goods, commodities, and services.

D. EMPLOYEE means an individual drawing a salary or wage from the City whether on a full-time, part-time basis or contractual third-party. The term shall encompass all members of the Governing Authority without regard to whether or not such individual is compensated.

E. GIFTS or FAVORS means any thing or any service of value.

F. GOODS or COMMODITIES means supplies, apparatus, materials, equipment, and other forms of tangible personal property.

G. GOVERNING AUTHORITY means the City entity responsible for the contract.

H. ORDINANCE means Purchasing Ordinance-Article 7.

I. PAYMENT TERMS: 2% Net 20

J.. PURCHASING is the process of securing materials, services, repairs, leases, and rentals necessary for the operation and support of the City. The renewal, renegotiations, and changes to contracts, leases and agreements, are functions of purchasing.

K. PURCHASING AGENT means the principal purchasing official of the City pursuant to Article 7, Section 2 of the City Ordinance.

L. THE USING DEPARTMENT/DIVISION (USER) is defined as the department which has the authority and responsibility for determining the need for an item or service, its related specifications, and need date. The USER is responsible for funding the need and advising PURCHASING of the approved funding and the specific budget account number.

IV. Ethics in Procurement

Each person involved in the procurement process must adhere to a high standard of ethics. Actions such as acceptance of gratuities and kickbacks are expressly prohibited. The Purchasing Division seeks to avoid even the appearance of impropriety. All employees are expected to conduct themselves according to the highest level of standards. Unethical actions by employees or vendors will not be tolerated. As a guideline, the National Institute of Governmental Purchasing (NIGP) Code of Ethics is included in the appendix section of this policy. The following principles are to be maintained:

1. Consider the best interest of the City in all transactions;
2. Purchase without prejudice, seeking to obtain the maximum value for each dollar expenditure in accordance with required quality standards;
3. Subscribe to and work for honesty and truth in purchasing and avoid all forms of conflict of interest;
4. Avoid all unethical practices and appearance of same; and
5. Strive consistently for knowledge of materials and supplies required for use by the City.

Employee Conflict of Interest

It shall be unethical for any City of Sandy Springs employee or official to transact any business or participate directly or indirectly in a procurement contract when the employee or official knows that:

(a) the employee or official or any member of the employee's or official's immediate family has a substantial interest or financial interest pertaining to the procurement contract, except that the purchase of goods and services from businesses which a member of the Council or other City of Sandy Springs employee has a financial interest is authorized as per O.C.G.A. § 36-1-14, or the procurement contract is awarded pursuant to O.C.G.A. § 45-10-22 and § 45-10-24, or the transaction is excepted from said restrictions by O.C.G.A. § 45-10-25;

(b) any other person, business, or organization with whom the employee or official or any member of an employee's or official's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement contract.

(c) An employee or official or any member of an employee's or official's immediate family who holds a substantial interest or financial interest in a disclosed blind trust shall not be deemed to have a conflict of interest with regard to matters pertaining to that substantial interest or financial interest.

Gratuities, Rebates, or Kickbacks.

(a) Gratuities. It shall be unethical for any person to offer, give, or agree to give any City of Sandy Springs employee or official, or for any City of Sandy Springs employee or official to solicit, demand, accept, or agree to accept from another person, a gratuity of more than nominal value or rebate or an offer of employment in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefor.

(b) Kickbacks and rebates. It shall be unethical for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor, or any person associated therewith, as an inducement for the award of a subcontract or order.

(c) Contract clause. The prohibition against gratuities, rebates and kickbacks prescribed in this Section shall be conspicuously set forth in every contract and solicitation therefor.

(d) Courtesies. Employees may accept for themselves and members of their families common courtesies usually associated with customary business practices so long as a strict standard is enforced with respect to gifts, services, discounts, entertainment, or consideration of any kind from suppliers of merchandise, services, supplies, etc. to City of Sandy Springs.

(e) Cash. It is never permissible for a City of Sandy Springs official or employee to accept a gift in cash or cash equivalent (e.g. stocks or other forms of marketable securities) of any amount.

Prohibition Against Contingent Fees

It shall be unethical for a person to be retained, or to retain a person, to solicit or secure a City of Sandy Springs contract upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

Use of Confidential Information

It shall be unethical for any City of Sandy Springs employee or official knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated personal gain of any other person.

Unauthorized Purchases

No purchases of materials, supplies, equipment and services shall be made in the name of City of Sandy Springs or one of its departments, or through its purchasing department, except such as are required for official use by City of Sandy Springs or one of its departments. Purchases in the name of City of Sandy Springs or a department for personal use by an individual or for other than official use are prohibited, and no City of Sandy Springs funds will be expended or advanced therefor.

Penalties and Sanctions

(a) Legal or disciplinary action by City Council. The City Council may take appropriate legal and/or disciplinary actions against any City of Sandy Springs official, vendor, contractor, organization, or person in violation of these ethical standards.

(b) Legal or disciplinary action by City of Sandy Springs City Manager. The City of Sandy Springs City Manager may take appropriate legal and/or disciplinary actions against any City of Sandy Springs employee subject to the Manager's supervision and control as defined in the City of Sandy Springs Code, subject to the appropriate appeals process of City of Sandy Springs.

(c) Legal or disciplinary action by Elected/Constitutional Officers of City of Sandy Springs. The Constitutional Officers and other Elected Officers of the City of Sandy Springs may take the appropriate legal and/or disciplinary actions against any employee under their supervision and control subject to the appropriate appeals process of the City of Sandy Springs.

(d) Administrative penalties for employees. The City of Sandy Springs City Manager or City Council may impose any one or more of the following penalties or sanctions on a City of Sandy Springs employee for violations of the ethical standards in this Section as appropriate to the situation, subject to the Personnel Manual or other appropriate appeals procedures:

(1) oral or written warnings or reprimands;

(2) suspensions with or without pay for specified periods of time; or

(3) termination of employment.

(e) Administrative penalties for outside contractors/vendors. The City of Sandy Springs City Council may impose any one or more of the following penalties or sanctions on a vendor/contractor or other person or organization for violations of these ethical standards:

(1) written warnings or reprimands;

(2) termination of contracts; or

(3) debarment or suspension as provided in the Purchasing Manual.

V. Responsibility

A. Purchasing Manager

The City Council may appoint the City Manager or his agent to serve as the Purchasing Agent for the City, or the Council may contract with an independent third party to serve as the Purchasing Agent. (ref. City Ordinance, Article-7, Section-2)

DUTIES: The Purchasing Agent shall have the following duties and powers:

(i) Arrange and negotiate the purchase or contract for all equipment, supplies, and contractual services for the City or any using agency; arrange and negotiate for the sale or otherwise dispose of all surplus equipment and supplies or real estate of the City or any using agency;

(ii) Maintain a perpetual or periodic inventory record of all materials, supplies, or equipment stored in City storerooms, warehouses, and elsewhere, including monthly reports that provide:

(a) the titles of all request for proposals and the method of source selections to be used:
(b) all contracts authorized by the Council, the method of source selection used and the total dollar amount;
(c) all emergency contracts awarded pursuant to Article 7
(d) all change orders or contract modifications authorized by the Council, the dollar amount and the reason;
(e) all change orders or contract modifications authorized by the Purchasing Agent, the dollar amount and the reason;
(f) an explanation of any changes, and the costs involved, in the scope of services made between the time a contract is awarded and the time that a resolution authorizing the contract is sent to the Council for adoption.

(iii) Manage and supervise purchasing staff.

(iv) Develop and maintain a purchasing policy and procedure manual which will be updated by the City Manager or their designee periodically.

(v) Direct efforts to procure services through advertisements of bids in the local legal organ as required by Article 7 of the City Ordinance and by state law.

(vi) Require bonds, insurance, and other forms of protection for the City on the process of procuring goods and services for the City.

(vii) Terminate solicitations for bids for any good(s) or service(s) when, in the opinion of the Purchasing Agent, it is in the City's best interest to do so. This includes termination or breach of contract or anticipated breach of contract.

(viii) Reject any and all bids, when in the opinion of the Purchasing Agent it is in the City's best interest to do so.

(ix) Consult with the City Attorney if a contracting party breaches or is reasonably anticipated to breach its contract with the City.

(x) Assist in negotiating City contracts, as directed by the City Manager. The City Manager and/or Mayor shall approve final contracts and execute and bind the City to such agreements.

(xi) Advise the City Manager on the status of negotiations, as well as contracts provisions and their impacts on the City.

(xii) Make recommendations on contract approval, rejection, amendment, renewal, and cancellation

(xiii) Provide contract administration and supervision of contracts and agreements, as directed by the City Manager. Such tasks shall include, but not limited to,

monitoring contract amendments, obtaining applicable insurance certificates, and monitoring applicable progress.

(xiv) Work with the City Manager to plan and implement processes for the ongoing protection of the City's interests.

(xv) Recommend and implement policies and procedures to provide for compliance with laws related to bidding, contracting, and purchasing as set forth in the State of Georgia, by examining the applicable laws and developing procedures for bidding, contracting, and procurement processes.

(xvi) Assist and coordinate necessary grant applications and submissions as directed by the City Manager.

B. Using Department/Division (USER)

1. Determine Need: The USER is responsible for determining the need for a material or service and providing appropriate documentation, including a purchase requisition.

2. Determine Funding: The USER is responsible for providing proper funding. Specific budget account numbers must be on the purchase requisition.

3. Determine Specifications: The USER is responsible for determining the quantity, quality, dimensions, duration and all other necessary specifications essential to the determination of what is to be procured. The specifications must, where applicable, conform to the approved City standards for identity and continuity.

4. Purchase Requisition: It is imperative that the USER transmits its need to the Purchasing Office. The Purchasing Office can only purchase supplies and services on the basis of an approved and complete purchase requisition. A properly approved purchase requisition contains, as a minimum, the following information:

   a. Complete description and specifications;
   b. Quantity;
   c. Need date (lead time of at least one week, must be allowed);
   d. Estimated cost;
   e. Freight;
   f. Complete budget account number;
   g. Previous purchase information or quotation (if known);
   h. Known or suggested vendor(s);
   i. Authorized approval of department head and division director;
   j. Authorized approval from the Budget/Finance Department

5. Acceptance of Procured Item or Service: The USER is responsible for advising the Purchasing Office within 24 hours after receipt or within 48 hours if the items or services are found to be unsatisfactory. This is to be done in writing on a Receiving Report.

C. Purchasing Functions

1. Source Selection: Except as provided below, all vendor selections shall be made by the Purchasing Office. When making the vendor selection the Purchasing Office will choose the lowest, best, responsible, responsive vendor. It is recognized that exceptional requirements may dictate that the USER is instrumental in selecting vendors. In such cases, it is necessary that this need be transmitted to the Purchasing Office with sufficient documentation as to the reason for the exception. This must be done in advance of any firm negotiations or commitment with the vendor.

In determining where to purchase products and services based on competitive prices and costs incurred in obtaining the purchase, the City shall purchase locally when all of these requirements are equal.

The City shall not make purchases of products or services from City employees or Council members or from businesses owned by members of these two groups unless specically approved by the City Council. The City shall have the right to "piggy-back" from other municipality's contracts if the vendor will extend the same prices, terms, and conditions to the City of Sandy Springs. This source seletion shall only be made available within the previous twelve (12) month period and competition was sought.

2. Quotation/Bidding: All Quotations for materials or service must be requested through the Purchasing Office. Price Quotations will be obtained in accordance with City Ordinance Article 7 Section 5-11.

   a. Verbal Quotes: Requisitions for items under $5,000 require at least three (3) verbal quotes. The vendor name and quote must be written on the requisition, which is used to generate the purchase order.

   b. Informal Written Quotes: Purchasing will receive at least three (3) written quotes on items requisitioned that are valued over $5,000 to $100,000. These requests will always be made in writing. The request for quotes can be made either verbally or in writing; the Purchasing Agent will determine this.

   c. Formal Sealed Bids: The Purchasing Office will request sealed bids on items or projects requisitioned that meet the following criteria:

      - The items or projects are valued over $100,000.
      - Clear and adequate specifications are available.
      - Two or more responsible offerors are willing to participate in the process.

      These requests are always made in writing. The vendor list is made up of companies from the bid list and recommendations from the USER. The Bid List is a current file of requests from companies for this purpose. Sealed bids will be publicly advertised for a minimum of two (2) consecutive weeks in the City's legal organ.

      Public Works Projects over $100,000 are required by Georgia State Law (HB1079) to have Payment Bonds and Performance Bonds for 100% of the contract amount. When these bids are requested the standard City documents with this information will be used. The City will also require that a 5% Bid Bond be submitted with the bid. These projects will be advertised in the legal organ for the City.

      (1) Sealed Bidding Process and Award

         (a) Receipt of Bids: No bid shall be eligible for consideration by the City unless it is placed in a sealed envelope or package and actually received by the Purchasing Office by the date and time specified in the bid request. The Purchasing Agent shall cause all bids to be stamped with the date and time of receipt and secured until the designated opening time. A bid delivered late shall under no circumstances be eligible for consideration by the City, and shall be returned unopened to the bidder.

         (b) Bid Openings: Bids shall be opened publicly in the presence of one or more witnesses on the date and at the time and place designated in the Bid Letter. The name of each Offerer, the purchase price contained in each bid, and such other information as the Purchasing Agent deems appropriate shall be announced as the bids are opened. A record of bid information shall be recorded and available for public inspeciton.

(c) Modification of Bids: Any clerical mistake which is patently obvious on the face of the bid may, subject to the limitations described below, be corrected upon written request and verification submitted by the Offerer. A non-material omission in a bid may be corrected if the Purchasing Agent determines the correction to be in the City's best interests. Omissions affecting or relating to price or insurance shall be deemed material and shall not be corrected after the bid opening:

(d) Withdrawal of Bids: Bids may be withdrawn at any time prior to the bid opening. After bids have been publicly opened, the bidder shall give notice in writing of his/her claim of right to withdraw his bid within two business days after the conclusion of the bid opening procedure. If a bid is withdrawn under the authority of this provision, the lowest remaining responsive bid shall be deemed to be the low bid.

(e) Bid Evaluation: Bids shall be evaluated based on the requirements set forth in the Specifications. No criteria may be used in bid evaluation that is not specifically set forth in the solicitation.

(f) Bid Cancellation: A Bid may be cancelled prior to opening date or any or all bids may be rejected in whole or in part as may be specified in the solicitation, where it is in the best interest of the City in accordance with regulations promulgated by the Purchasing Office or, as a result of improper conduct on the part of the a City employee. The reasons for any cancellation shall be made part of the bid file.

(g) Modification of Specifications after Bid Opening: The City reserves the right to negotiate with the lowest, responsive, and responsible bidder after the bids have been opened and before an award is made in an effort to make sure that the specifications and budget have been met. This will allow staff to add or delete parts for equipment or value engineer a project in the City's best interest. On construction projects the negotiations will be conducted with the design firm and City Staff before a recommendation is made for the award of the bid.

(h) Negotiation with Lowest Responsive and Responsible Bidder: Once a bid has been opened and accepted, the City reserves the right to negotiate with the lowest responsive and responsible bidder in an effort to ensure that the bid meets the approved budget and specification.

(i) Bid Award:
Responsive and Responsible Bidder(s): Subject to approval by the City Manager or their designee and City Council, bids shall be awarded to the lowest, responsive and responsible bidder(s).

Approval of Bids: All bid awards for amounts of $100,000 or greater shall be approved or rejected by the City Council.

Rejections of Bids: The City reserves the right to reject any or all bids if it determines such rejection to be in the best interest of the City.

Disqualification of Bids: The following types of bids shall be disqualified for consideration for a bid award:

- A bid arrives after the set time for submittal
- A bid which is incomplete in any material aspect
- A bid submitted without required bonds or insurance
- A bid submitted by a company on the ineligible source list.

d. Request for Proposals: Purchasing will be responsible for sending Requests for Proposals (RFP) when use of the sealed bid process is either not practicable or not advantageous to the City. The following criteria will be used when determining when to use the RFP process:

- When the quality, availability or capability is overriding in relation to price in procurement of technical supplies or services.
- When the initial installation needs to be evaluated together with subsequent maintenance and service capabilities and what priorities should be given these requirements in the City's best interest.
- When the market place will respond better to a solicitation permitting not only a range of alternate proposals, but evaluation and discussion of them before making the award.

RFP's will generally be solicited on a project-by-project basis with the exception of the following; City Attorney, Judge, Auditor, Engineering Testing Services, Medical Services and Banking Services, which will be solicited every three (3) years. The other services will include, but are not limited to, architects, engineers, and other professionals. The USER will submit the Scope of Services to Purchasing, who will then determine which of the following processes to use:

- Purchasing will request Letters of Interest and Statements of Qualifications from qualified firms. The responses will be reviewed by the USERS and the Purchasing Agent and interviews will be conducted with the firms selected by them. The Price Proposals will be requested from the most qualified firms.
- Purchasing will request Letters of Interest, Statement of Qualifications and Price Proposals from qualified firms. The USERS and the Purchasing Agent will review the information submitted and make a selection from this information. This process should be used when the City is familiar with the firms.
- Purchasing will request Letters of Interest and Statement of Qualifications from qualified firms and schedule a meeting with all the firms to discuss the project and answer questions. Then the firms who have attended the meeting will submit Price Proposals. The USERS and the Purchasing Agent will review all the information and make a selection.

(1) Request for Proposal Receipt, Evaluation and Award

(a) Dissemination of Proposals: Proposals shall be disseminated through a Request for Proposal.

(b) Receipt of Proposals: No proposal shall be eligible for consideration by the City unless it is placed in a sealed envelope or package and actually received by the Purchasing Agent by the date and time specified in the RFP. The Purchasing Agent shall cause all proposals to be stamped with the date and time of receipt and secured until the designated opening time. A proposal delivered late shall under no circumstances be eligible for consideration by the City and shall be returned unopened to the bidder.

(c) Proposal Opening: Proposals shall be opened publicly in the presence of one or more witnesses on the date and at the time and place designated in the RFP. The name of each proposer shall be announced but no other information shall be disclosed nor shall the proposals be considered an "open record" until a contract is awarded.

(d) Proposal Cancellation: An RFP may be cancelled prior to opening date or any or all proposals may be rejected in whole or in part as may be specified in the solicitation, where it is in the best interest of the City in accordance with regulations promulgated by the Purchasing Office or, as a result of improper conduct on the part of a City employee. The reasons for any cancellation shall be made part of the proposal file.

(e) Evaluation of Proposals

- Initial Evaluation: Each proposal shall be evaluated to determine whether it is responsive to the scope of services and other terms and conditions contained in the RFP. In evaluating the proposals, the evaluating team may communicate with each Proposer to clarify and amplify each Proposer's proposal. No information concerning any other Proposer's proposal shall be communicated in any way to the Proposer.

- Request of Supplemental Information: Additional information may be requested of Proposers.

(f) Award of Proposal

- Responsive and Responsible Proposal: Award shall be made to the responsible Offeror whose proposal is determined to be the most advantageous to the City based upon but, not limited exclusively to, price and the evaluation factors set forth in the RFP.

- Approval of Proposals: All proposals where cost is $100,000 or more shall be approved or rejected by the City Council.

- Rejection of Proposals: The City reserves the right to reject any or all proposals if it determines such rejection to be in the best interest of the City.

- Disqualification of Proposals: The following types of proposals shall be disqualified for consideration for award:

  - A proposal arrives after the set time for submittal
  - A proposal submitted without required bonds or insurance
  - A proposal submitted by a company on the Ineligible Source List.

e. Emergency Purchasing: It is understood that, from time to time, occasions arise at departments, which dictate immediate action to purchase items in order to prevent disruption of operations. The Purchasing Agent shall have the authority to purchase commodities and services where there exists an emergency constituting a threat to public health, safety or welfare or to the soundness and integrity of public property or to the delivery of essential services and where the adverse effect of such emergency may worsen materially with the passage of time.

If the emergency occurs after normal business hours and the Purchasing Agent is unavailable, the Department Directors/Chiefs will be given the same authority as the Purchasing Agent. The documentation and purchase requisitions are to be submitted to the Purchasing Office as soon as possible following the emergency.

Adherence to these regulations and procedures concerning dollar amounts and bidding will be followed as closely as circumstances will allow. All emergencies will be documented and reports given to the City Manager and Mayor and Council.

f. Brand Name Purchases: The Purchasing Agent may elect to purchase brand name products or services when the goods comprise a major brand system, program or service previously selected by the City and due to operational effectiveness, future enhancements or additions, or maintenance or storage of spare parts precludes the mixing of brands, manufacture, etc.

g. Sole Source Purchases: A contract may be awarded or a purchase made without competition when the City determines that there is only one source for the required products, supply services, or construction items. The Purchasing Agent shall conduct negotiations as appropriate, as to the price, delivery, and terms to determine reasonableness of price. A separate file of sole source procurements shall be maintained as a public record

and shall list each contractor's name, the amount and type of each contract, and a listing of the item(s) procured under each purchase order or contract.

h. Grants/Donations: Periodically, the City may be given private/public grants and donations; from sources such as the State and Federal Government and private corporations. These types of solicitations are more restrictive and will dictate the procurement process and methodology that the City is to follow for an award.

3. Responsible for Prices: The final determination of the price and terms of any goods, materials or services shall rest with the Purchasing Office.

4. Records: It shall be the responsibility of the Purchasing Office to document all contracts, purchases, agreements for services, and leases and to maintain said documents consistent with the records retention policy of the City. All agreements or contracts binding the City must be in writing. There will be no exceptions.

5. Negotiations of Agreements: All negotiations of agreements for supplies, materials, or services, shall be conducted by the Purchasing Office. It is recognized that special situations may exist where there is a special need for the USER to be involved in the negotiation process. This must be in conjunction with the Purchasing Office at all times. The Purchasing Office will make final recommendation for agreements.

6. Approvals:

a. It is the responsibility of the Purchasing Office to secure all necessary approvals of the City Manager or their designee, or legal authority, in writing, when necessary to protect the City and its legal liability prior to execution of a contract or purchase agreement.

b. The Purchasing Office may make any authorized purchase for which payment will be made in a current, routine manner following receipt of the goods or services. Procurement by leasing, long-term financing, advance payments or deposits or any other special non-routine method must be approved in advance by the City Manager or their designee.

The City Manager or their designee is authorized to approve budgeted capital purchases or contracts up to $100,000 without obtaining Council approval. The USER is responsible for making the recommendation for the award.

Council must approve any non-budgeted purchase or contract over $100,000. The USER is responsible for submitting the recommendation for this award.

c. The Purchasing Office will not normally provide purchase orders after procurement has been initiated. Also, purchases must be documented by the USER with appropriate requisition and specific budget account number prior to the issuance of the purchase order number.

d. In the case of contracts (other than routine purchase orders), leases or service agreements (either new or renewals), the approval process is necessary. All such documents will be forwarded to the Purchasing Office if not originated in said department. The Purchasing Office will acquire the necessary approvals prior to execution of any agreement, contract or lease through the City Attorney's office. When said contracts, leases or service agreements are up for renewal or expiration the Purchasing Office will notify the USER for approval to either maintain the contract or bid a new contract. The Purchasing Office will be responsible for maintaining a file of all current contracts, leases or service agreements.

(1) The Purchasing Agent will review the contract for form, completeness, insurance considerations, legal implications, and any other items dictated by each situation. The contract will then be sent to the USER and approved the Director/Chief and returned to Purchasing. The Purchasing Office will be responsible for having the contract signed by the City Manager or their designee after it is signed by the vendor.

(2) The Purchasing Office will forward three copies of the contract for signature to the vendor, with them returning two copies.

(3) The original of the contract will be filed in the open contract file. The other copy will be attached to the purchase order.

(4) A copy of the completed contract will be forwarded to the USER.

(5) Once a contract is awarded by the City the contract may be amended without the necessity of rebidding such contract, provided that such amendment shall not result in a variance in price exceeding ten percent (10%) of the original contract amount.

7. Delivery, Quality, and Payment: It shall be the responsibility of the Purchasing Office to insure the quality, delivery, and payment of required goods and services.

8. Disputes: Final adjudication of any dispute between the vendor and USER shall be made by the Purchasing Office with appropriate input from the USER.

9. Vendor: In most cases, contact with vendors will be by the Purchasing Office and in conjunction with the USER as necessary. All vendors must coordinate with the Purchasing Office before visiting any other department. All visits must be made with the knowledge of the Purchasing Office and the Purchasing Agent has the option of accompanying the visitor. It is recognized that this restriction on visitation will not necessarily apply to those vendors with ongoing relationships such as computer,and copy machine service technicians.

10. Return of Goods and/or Cancellation of Agreements: All return of goods must be initiated by the USER through the Purchasing Office. Additionally, all cancellations of, or modifications to, any agreements must be made by the Purchasing Office.

11. Receiving of Goods: It shall be the responsibility of the USER to ensure that purchased goods and equipment are received, inspected and verified as to condition. This will be accomplished by the use of a Receiving Report. Since the Department Director/Chief signed the purchase requisition, he cannot be the receiver of the goods and must appoint an individual within the department to be the receiver of the goods and services.

12. Use of State/Co-Op Contracts: The Purchasing Manager may, independent of the requirements of bid process of this article, procure supplies, services or construction items through the contract established through competitve means by the purchasing division of the State of Georgia, national Co-Ops (i.e.-U.S. Communities), and collaborative purchasing agreements when deemed to be in the best interest of the City.

13. Change Orders

The Purchasing Office will review all change orders and adjust encumbrances as applicable. Change orders will be processed to correct the account distribution, quantity, addition/deletion of line items, change in description, and unit price.

If a quoted price is equal to or less than $5,000, the Department Head will approve. If a requisition for change order is received in over $5,000;, the requisition will be sent to the Finance Director and City Manager for approval. Any requisition with a change order over $100,000 requires Mayor/City Council approval. The department cannot use the change order process to circumvent the Purchasing Ordinance.

VI. Property Disposal

A. Excess, Surplus, and Obsolete Materials: It shall be the duty of the USER to report all excess, surplus or obsolete materials to the Purchasing Office. At this point, the Purchasing Agent will examine alternatives as to the most advantageous disposition of the items. Items could be refurbished or reconditioned, transferred, traded in on new equipment or sold by auction or sealed bid.

1. Transfer: The most gainful method for handling an item no longer needed by a department is to transfer it to another department that has a use for the item.

2. Trade-In: In replacing obsolete equipment, it is sometimes advantageous to trade-in the old equipment. The invitation for bids on the replacement item should call for bid prices with or without trade-in and provided that award may be made either way.

3. Sale: Excess, surplus and obsolete items not transferred will be consolidated and offered for sale by auction or by sealed bid method. The consolidated list will be submitted to Council for approval before an auction or sealed bid is organized. The property offered for sale will be on an "AS IS/WHERE IS" basis. The sale will be given public notice. Sealed bids will be opened at the time and place announced with the City retaining the right to reject any and all bids.

B. Sale to Employees: To reduce opportunities for deception and to help avoid any appearances of impropriety in the disposition program, it will be the policy to prohibit the direct sale of surplus property to any City employee. This policy does not prohibit City employees from extending an offer at a public auction or in the form of a sealed bid.

C. Allocation of Proceeds: Proceeds from the sale of excess or surplus property will go into the General Fund.

VII. Payment Requests

Payment Request Forms are designed to streamline procedures for initiating routine payments of the types outlined below:

A. Utility Bills.
B. Insurance Premiums and Bond Payments.
C. Postage Expenses.
D. Conferences, Training and Meeting Pre-paid Expenses.
E. Reimbursements as shown on a valid, approved Travel Expense Report.
F. Professional Services.
G. Court Fees.
H. Instructors or Speakers for Recreation Programs.

The above list is not all-inclusive; questions should be directed to the Finance Director or Purchasing Agent. The use of the Payment Request Forms in no way implies that proper procedures outlined in paragraph IV, B, 2 need not be adhered to. The Payment Request procedures are merely a means of expediting payment.

APPENDIX A

NIGP CODE OF ETHICS

The Institute believes, and it is a condition of membership, that the following ethical principles should govern the conduct of every person employed by a public sector procurement or materials management organization.

Seeks or accepts a position as head (or employee) only when fully in accord with the professional principles applicable thereto and when confident of possessing the qualifications to serve under those principles to the advantage of the employing organization.

Believes in the dignity and worth of the service rendered by the organization, and the societal responsibilities assumed as a trusted public servant.

Is governed by the highest ideals of honor and integrity in all public and personal relationships in order to merit the respect and inspire the confidence of the organization and the public being served.

Believes that personal aggrandizement or personal profit obtained through misuse of public or personal relationships is dishonest and not tolerable.

Identifies and eliminates participation of any individual in operational situations where a conflict of interest may be involved.

Believes that members of the Institute and its staff should at no time, or under any circumstances, accept directly or indirectly, gifts, gratuities, or other things of value from suppliers, which might influence or appear to influence purchasing decisions.

Keeps the governmental organization informed, through appropriate channels, on problems and progress of applicable operations by emphasizing the importance of the facts.

Resists encroachment on control of personnel in order to preserve integrity as a professional manager.

Handles all personnel matters on a merit basis, and in compliance with applicable laws prohibiting discrimination in employment on the basis of politics, religion, color, national origin, disability, gender, age, pregnancy and other protected characteristics.

Seeks or dispenses no personal favors. Handles each administrative problem objectively and empathetically, without discrimination.

Subscribes to and supports the professional aims and objectives of the National Institute of Governmental Purchasing, Inc.

GUIDELINES TO THE NIGP CODE OF ETHICS

I. RESPONSIBILITY TO YOUR EMPLOYER

Follow the lawful instructions or laws of the employer.

Understand the authority granted by the employer.

Avoid activities, which would compromise or give the perception of compromising the best interest of the employer.

Reduce the potential for any charges of preferential treatment by actively promoting the concept of competition.

Obtain the maximum benefit for funds spent as agents for the employer.

II. CONFLICT OF INTEREST

Avoid any private or professional activity that would create a conflict between your personal interest and the interests of
your employer.

Avoid engaging in personal business with any company that is a supplier to your employer.

Avoid lending money to or borrowing money from any supplier.

III. PERCEPTION

Avoid the appearance of unethical or compromising practices in relationships, actions and communications.

Avoid business relationships with personal friends. Request a reassignment if the situation arises.

Avoid noticeable displays of affection, which may give an impression of impropriety.

Avoid holding business meetings with suppliers outside the office.

When such meetings do occur, the meeting location should be carefully chosen so as not to be perceived as inappropriate by other persons in the business community or your peers.

IV. GRATUITIES

Never solicit or accept money, loans, credits or prejudicial discounts, gifts, entertainment, favors or services from your present or potential suppliers which might influence or appear to influence purchasing decisions.

Never solicit gratuities in any form for yourself or your employer.

Items of nominal value offered by suppliers for public relations purposes are acceptable when the value of such items has been established by your employer and would not be perceived by the offeror, receiver or others as posing an ethical breach.

Gifts offered exceeding nominal value should be returned with an explanation or if perishable either returned or donated to a charity in the name of the supplier.

In the case of any gift, care should be taken to evaluate the intent and perception of acceptance to ensure that it is legal, that it will not influence your buying decisions, and that it will not be perceived by your peers and others as unethical.

V. BUSINESS MEALS

There are times when during the course of business it may be appropriate to conduct business during meals. In such instances, the meal should be for a specific business purpose.

Avoid frequent meals with the same supplier.

The purchasing professional should be able to pay for meals as frequently as the supplier. Budgeted funds should be available for such purposes.

VI. CONFIDENTIAL INFORMATION

Keep bidders' proprietary information confidential.

Develop a formal policy on the handling of confidential information.

VII. RELATIONSHIP WITH THE SUPPLIER

Maintain and practice, to the highest degree possible, business ethics, professional courtesy, and competence in all transactions.

Association with suppliers at lunches, dinners or business organization meetings is an acceptable professional practice enabling the buyer to establish better business relations provided that the buyer keeps free of obligation. Accordingly, it is strongly recommended that if a seller pays for an activity that the buyer reciprocate.

Purchase without prejudice, striving to obtain the maximum value for each dollar of expenditure.

Preclude from showing favoritism or be influenced by suppliers through the acceptance of gifts, gratuities, loans or favors. Gifts of a nominal value that display the name of a firm which is intended for advertisement may or may not be accepted in accordance with the recipient's own conscience or jurisdictional rules.