



City of Marion

Purchasing Policy and Procedures Manual

Adopted as Administrative Policy for all City Employees
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City of Marion, North Carolina
Department of Finance and Administration
Purchasing Policy and Procedure Manual

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I. Forward

This purchasing policy and procedures manual has been prepared to serve as a guideline to all departments of the City of Marion in obtaining apparatus, materials, equipment, supplies and services.

While this manual does not answer all questions related to purchasing, it does provide the foundation for a sound centralized purchasing system, which will serve the City's needs and provide a more effective and efficient buying process. Like any policies or procedures, they can be effective only if the individuals involved are aware of what they are, how they apply, and the problems that may be encountered when they are not followed. For this reason we have tried to explain each directive in detail giving the purpose, the policy, and the procedure for carrying it out. We have also included the North Carolina General Statute reference for policies where applicable.

The basic goals of the City's purchasing program are:

- a. To comply with the legal and ethical requirements of public purchasing.
- b. To assure vendors that impartial and equal treatment is afforded to all who wish to do business with the City.
- c. To receive maximum value for each dollar spent by awarding to the lowest responsible bidder, taking into consideration quality, performance, technical support, delivery schedule, past performance and other relevant factors.
- d. To provide City departments the required goods, equipment, and services at the time and place needed and in the proper quantity and quality.
- e. To professionally administer the search for sources of supplies, the development of new sources, the selection of suppliers, negotiations, commitment, follow-up, and adjustments.
- f. To promote good and effective vendor relations, cultivated by informed and fair buying practices and strict maintenance of ethical standards.
- g. To effect maximum feasible standardization of products used within and among departments in order to minimize stock levels and obtain better prices.

By following the procedures and guidelines established in this manual, each department can efficiently manage, control and plan its available resources to meet present and future departmental needs and help the City to meet these goals. Should you have any questions about this manual or its procedures, contact the Finance Director at 652-3551 or the Purchasing Agent at 652-6151.

II. General Guidelines For Purchasing Supplies and Materials

2.1 Local Buying:

It is the desire of the City to purchase from vendors located within the City of Marion and McDowell County whenever possible. This can be accomplished by insuring that local vendors who have goods or services available that are needed by the City are included in the competitive purchasing process. The City has a responsibility to its residents; however, to insure the maximum value is obtained for each public dollar spent. **The City cannot and will not make purchasing decisions solely on the basis of vendor residence.** Rather, the City will endeavor to encourage local vendors and suppliers to complete for all City business.

2.2 Planning:

Planning for purchases should be on a long-term basis, thereby minimizing small orders and last minute purchases. Planning will also reduce the number of trips required to obtain materials and minimize clerical and supervisory time spent on documenting purchases.

2.3 Buying Proper Quality:

Quality and service are as important as price; and, it is the duty of the requesting department to secure the best, most economical, quality that will meet but not exceed the requirements for which the goods or services are intended. In some instances the lowest price does not necessarily mean the lowest cost.

2.4 Sales Tax

NOTE: The City is not exempt from paying North Carolina sales tax, and therefore, as you place an order with the supplier, you should emphasize that the purchase must include tax for all taxable items.

III. Purchasing Procedures

This section describes the proper procedures for requisitioning goods or services for use by departments of the City of Marion. As stated previously, the purpose of these procedures is to provide the best quality goods and services to the city at the least possible price. Adherence to this procedure is absolutely essential toward achieving this end.

If purchases are made without adhering to this procedure a number of different consequences could occur, among which are:

- a. Serious delays in paying the vendor for their merchandise or services.
- b. Paying higher prices than necessary.
- c. Buying items already available in the Warehouse Stockroom.
- d. Creating significant amounts of extra work for the City Finance Department and the Purchasing Department.

Should questions arise which cannot be answered by reference to this manual, contact the Purchasing Agent at 652-6151.

3.1 Request to Purchase:

A request with the required information and appropriate approvals gives the Purchasing Agent the authority to proceed with competitive pricing and to issue a purchase order to the most suitable vendor. The Department Head or his/her designee must approve all requests within their department. A completed purchase requisition with the appropriate approvals is required for all purchases.

3.2 Completing the Request to Purchase Form:

The requisition, once completed, is forwarded to the Purchasing Department. If the Purchasing Department has questions concerning the request, it may be returned to the Department Head or his/her designee for a brief explanation.

IV. Vendor Selection

4.1 Selection Policy:

The purchasing-vendor relationship is one of mutuality. The promotion of good relations with the vendor is an important function of the Purchasing Agent. Therefore, it is essential that the Purchasing Agent be aware of all transactions between the City and its vendors.

4.2 Selection Procedures:

Vendors will be selected on a competitive basis. Formal bids, informal bids, or telephone quotations will be solicited by the Purchasing Department. Bid awards, purchase orders and or contracts will be issued to the lowest responsible bidder as outlined in Section VIII.

For the procurement of supplies, materials and or equipment and for construction or repair, the Purchasing Department will observe the following procedures:

- a. In accordance with North Carolina General Statute §143-129, invitation for formal bids will be used for purchases of \$90,000 and greater for apparatus, supplies, materials and equipment and \$500,000 and greater for construction and repair contracts. This will include advertising in the local newspaper and/or other advertising media as deemed appropriate and receiving sealed bids.
- b. In accordance with North Carolina General Statute § 143-131 no written method or advertising required for invitation, but a Request for Written Quotation (RFQ) may be used for purchases of \$30,000 to formal limit (\$90,000).
- c. In accordance with North Carolina General Statute § 143-131, purchases of less than \$30,000 will be made in the open market with or without necessary resort to formal invitation for bids or request for quotations. However, every effort should be given to obtain three quotes for purchases of less than \$30,000. All quotes, regardless of degree of formality, should be forwarded to the Purchasing Agent as soon as the requisition has been approved.

V. Purchase Orders

To be valid, a City Purchase Order Form (Exhibit B) must be completed and signed by the Purchasing Agent or by the Finance Director.

5.1 The Purchase Order Process:

A Purchase Order is a contract between the City and a vendor and is not binding until accepted by the vendor. The City will not recognize the issuance of purchase orders by unauthorized City employees or officials, and payment of these obligations will not be approved. Obtaining supplies, equipment or services without a purchase order is also an unauthorized purchase. (Except in emergency situations as outlined in Section 7.3) **Unauthorized purchases are classified as a personal expense and will be paid for by the employee.**

The purchase order is a numbered two-part form with copies to be distributed as follows:

White – Purchasing copy, send to the Purchasing Department.

Yellow – Department copy, filed within the department.

In order to properly process the vendor's invoice(s) for payment, the packing slips must indicate the purchase order number, be signed and forward to the Purchasing Department, this is to be done immediately after the item(s) have been received, inspected and accepted by the user department.

5.2 Change Orders:

In order to change, modify, or cancel an existing purchase order, the user department must initiate a Change Order Form (Exhibit C) with the Department Head's or his/her designee's approval. All pertinent information needed to make changes should be completed. The change order is to be forwarded to the Purchasing Agent for review and approval. Purchasing Agent will be responsible for the distribution of paperwork to the vendor and requesting department.

Change orders will not be allowed:

- a. That would alter the procurement procedures that were used in the original process. (i.e., from informal to formal).
- b. After the scope of service have been rendered or materials have been received.
- c. Would increase a blanket purchase order.
- d. Would add additional items to the purchase order.

Change orders are not needed when the dollar amount of the change for a line item will not be exceeded by 10% of the original amount and budgeted funds are available.

VI. Availability and Transfer of Budgetary Funds

6.1 Policy:

It is the policy of the City of Marion to require a Request for Transfer of Funds for any purchase or commitment of City funds for which there are insufficient funds available in the budgetary account against which a purchase or commitment is to be applied. Transfers of Funds are not allowed for the purpose of making it possible to spend all appropriations. (Exhibit D) is a sample Request for Transfer of Funds Form.

6.2 Authority:

Only the City Manager or Finance Director are authorized to make certain changes among operating expenditure line items, (i.e. non-capital and/or non-personnel related items), in the budget of a department, (department as defined in the annual budget authorization of City Council), when he/she feels the change would be in the best interest of the City.

6.3 Responsibility:

Transfer of Funds must be requested by the Department Head or his/her designee and forwarded to the Finance Director before any commitments are approved against an expenditure line item which would exceed the amount budgeted for that particular line item.

Requests should be stated in even \$100 increments (i.e. \$100, \$200, \$300, etc.).

The Finance Director is expected and authorized to inquire about the appropriateness of any and all Request for Transfer of Funds. After review and approval of the Request, the Finance Director shall attach a copy of this form to the corresponding Request to Purchase and forward the Request for Transfer of Funds Form to the City Manager.

VII. Special Procurement Procedures

7.1 Blanket Purchase Orders:

The Purchasing Agent will issue blanket purchase orders to selected vendors for the procurement of large volume items such as landscaping supplies, rock, sand and asphalt. Blanket purchase orders should not be used for items normally carried in stock at the warehouse and will not be issued for items that can/should be purchased with regular purchasing procedures.

Requests for blanket purchase orders must, in addition to the required information, indicate the following: items covered by the blanket purchase order, a Not to Exceed (NTE) amount in the appropriate column, and an attached listing of all personnel approved to purchase from the blanket purchase orders. The issued purchase order will instruct the vendor that unauthorized purchases will not be allowed. It is the responsibility of the individual authorized to purchase under a blanket purchase order to insure that an unspent balance remains to cover the purchase to be made. **Any purchase that exceeds the funds available under a blanket purchase order will be classified as an unauthorized purchase.**

Any purchases made by personnel not authorized by the blanket purchase order request will be classified as a personal expense and will be paid by the employee.

An authorized City employee must sign a vendor's delivery ticket, and the purchase order number must be indicated. If the purchase is to be charged to an account other than indicated by the purchase order, the account number to be charged for the expenditure must be indicated. Departments will forward these delivery tickets immediately to the Purchasing Department.

7.2 Service Contracts:

All service contracts, for which the contractor will perform work while on City property, must be accompanied by a standard contract form containing the appropriate language required in City contracts. The contract must follow all signature procedures and contain all necessary insurance and payment options. The contractor must have a certificate of insurance on file before work is to be done. Payment will not be issued until certificate has been received. The completed and signed contract must be forwarded to the Purchasing Agent prior to the release of the purchase order.

7.3 Emergency Purchases:

In cases of emergencies, the Department Head or his/her designee may purchase directly from vendor(s) supplies or services whose immediate procurement is essential to prevent delays in work, which may affect the life, health, or either safety or convenience of the City of Marion employees or citizens.

The user department shall exercise good judgment and use established vendor(s) when making emergency purchases. Care should be taken to always obtain the best possible price and limit purchases to those items that may be emergency related. Failure to anticipate needs does not constitute an emergency situation. First, determine if a true emergency does exist. Second, anticipate needs and avoid emergency situations whenever possible. Vendors usually charge top prices if supplies or services must be obtained on an emergency basis.

During working hours, the following procedure should be used for emergency purchases: contract the Purchasing Agent and give all pertinent information to obtain a purchase order. The information needed will include the vendor name, item(s) to be purchased with quantities, expenditure account to which the item(s) will be charges and the reason for the emergency purchase.

After working hours, the following procedure should be used for emergency purchases: The packing slip or invoice received should be coded with the account(s) to be charged and signed. Please attach a purchase requisition with each packing slip or invoice and send to the Purchasing Agent, with a brief explanation of the nature if the emergency.

Emergency purchases, although sometimes necessary, are costly both in time and money. The use of emergency purchases should be limited to true emergencies and will be monitored for abuse.

7.4 Call-in requests for Purchase Orders:

Call-in requests for purchase orders will be used for emergency and special situations only. However, the Purchasing Department will allow the faxing of requests with originals to be forwarded.

7.5 Purchase Order Cut - off Date:

Purchase requests for materials, supplies, services and equipment (not included in blanket purchase orders or service contracts) for the ending current fiscal year must be in the Purchasing Department no later than June 15. Purchase requests of a routine nature that could have been scheduled prior to June 15, and are not critical, will be returned to the department for disposition in the new fiscal year. This procedure affords the Purchasing and Finance Departments the opportunity to complete fiscal year end activities in a timely and proper manner.

Purchases from the warehouse should be done one month prior to the fiscal year end, if possible. Those items would include but are not limited to computer paper, toilet paper, trash bags, cleaning items, etc. This procedure affords the Purchasing Department the opportunity to complete inventory and review merchandise in the warehouse with the Warehouse Inventory Specialist prior to the fiscal year end activities in a timely and proper manner.

7.6 Sole Source of Supply:

In the event there is only one vendor capable of providing a particular good or service, the competitive pricing procedures outlined in this manual may be waived by the Purchasing Agent or Finance Director. Whenever a Department Head or his/her designee determines to purchase goods or services from a "sole source", he/she shall document on the request why only one company or individual is capable of providing the goods or services required. The provisions of G.S. §143-129 will be followed asking Council for this sole source exception.

7.7 State of North Carolina Purchase Contract:

The Purchasing Agent may utilize the State of North Carolina Department of Administration Purchase and Contract Division whenever possible for procurement of capital and non-capital items. This system expedites the purchase of goods, offers pricing compatible with quotes received from formal and informal bids, and satisfies North Carolina General Statutes. Examples of goods on state contract are: law enforcement vehicles, office furniture, copiers, janitorial supplies, copier paper, and light bulbs. Contact the Purchasing Agent if you have questions about which goods are on State Contract.

7.8 Professional Services:

Normal competitive procedures cannot be utilized in securing professional services such as attorneys, engineers, auditors and other professional people who, in keeping with the standards of their discipline, will not enter into a competitive bidding process. When an agreement between a professional service company and the City is established, a purchase order, with a NTE (not to exceed) amount shall be issued to satisfy accounting and statutory requirements.

7.9 Purchasing Calendar: Capital and Non - capital Equipment

To coordinate and schedule capital purchases during the fiscal year, the Finance Director and the Purchasing Agent will request information from departments concerning approved capital budgets and procurement schedules each year. In securing financing and maintaining the fixed asset records for the fiscal year, all capital purchases MUST be completed no later than **March 15** with delivery scheduled no later than **May 30**, if at all possible.

7.10 Vehicle and Equipment Repair: Outsourcing of Service:

Procedures for outsourcing vehicle and equipment repairs, such as body repair(s), engine rebuilding, or any other service shall be handled by Fleet Maintenance. Written estimates showing separate labor, material(s) and towing costs shall be submitted to the Purchasing Agent with completed request and appropriate signatures for purchase order processing. To provide the necessary cost and repair history of a vehicle for budgeting use, this should be handled and recorded on the vehicles fleet maintenance records.

7.11 Petty Cash

A petty cash fund has been established for the Police Department and Fire Department for purchase of expendable items, (including but not limited to car washes, office supplies, etc.) costing less than \$25.00. Employees wishing to purchase items, and be reimbursed with petty cash, should obtain a petty cash form, provide a receipt for the purchase and return the cash form to the petty cash administrator for your department, with the approval of the Departmental Head or his/her designee.

7.12 Credit Cards

Bank issued credit cards are reserved for use by the City Manager, Finance Director, Fire Chief, Police Chief and Public Works Director for travel or select items for the City. The purpose of this purchasing procedure is to facilitate travel such as hotel reservations and for certain online purchases, such as computers.

The bank issued credit card will be used only when:

- a. The items and/or services to be purchased are for the official use of the City of Marion.
- b. The types of items and/or services to be purchased are those approved by the City Manager and/or Finance Director.
- c. Bank credit cards should not be used to purchase any items normally carried in stock in the City Warehouse or available via the Purchasing Agent.
- d. The City Manager and/or Finance Director will review the use of the individual card activity and reserve the right to revoke the use privileges from the cardholder, if deemed necessary. The credit card holder will be responsible for any purchases deemed not to be official City purchases.
- e. After the purchase, the credit card holder will furnish the receipt for the purchase to the Finance Director. Failure to furnish the receipt will result in the credit card holder becoming responsible for the purchase.
- f. Blanket credit cards issued by Walmart are not issued to a particular person but to the City. These Walmart credit cards will be checked out at City Hall after the employee obtains a Purchase Order number from the Purchasing Agent and brings the Purchase Order Number to City Hall. After the purchase has been made the credit card will be returned to City Hall along with the receipt. The receipt, with the Purchase Order Number written on it, will then be sent to the Purchasing Agent to be processed.
- g. Lost or stolen credit cards are to be immediately reported to the Finance Director.

VIII. Competitive Bids

8.1 Formal Bids-Supplies and Materials (\$90,000 and Greater):

After receiving a completed request to purchase with the appropriate signature to purchase supplies, apparatus, and materials and equipment with expenditure of \$90,000 or more, the Department Head or his/her designee, in conjunction with the Purchasing Agent shall develop and prepare specifications for bidding. The Purchasing Agent shall be responsible for ensuring that all North Carolina General Statutes are satisfied, including but not limited to, newspaper advertisement and receipt of sealed bids.

After receipt of a bid, the Purchasing Agent shall conduct a public bid opening, then with the Department Head or his/her designee, review all bid responses to determine the bid deemed in the best interest of the City. Factors such as cost, quality, performance and time should be taken into consideration. The Purchasing Agent shall make a formal recommendation of award, with supporting documentation to the Finance Director, City Manager, and the City Council.

Upon City Council approval of the recommendation, the Purchasing Agent shall initiate the purchase order and contract the successful bidder.

8.2 Informal Bids-Supplies and Materials (\$30,000 - \$89,999):

After receiving a properly executed request to purchase, the Purchasing Agent shall utilize the informal bidding process for purchases of \$30,000 to \$89,999. The informal bidding process requires that competitive pricing be obtained but does not require that it be in a written form, therefore, bids via email, phone, fax or mail are acceptable. Records must be kept of all bids received. Once received, the Purchasing Agent determines which quote is in best interest of the City and with Council's approval the Purchasing Agent shall generate the purchase order and contact the successful bidder.

8.3 Purchases of Supplies and Materials (Less than \$30,000):

After receiving a properly executed Request to Purchase Form for expenditures of less than \$30,000, the Purchasing Agent shall accept quotes in any form as for Informal Bids. Every effort to obtain 3 quotes should be exercised. Once the quote deemed in the best interest of the City is determined, the Purchasing Agent shall generate the purchase order and contact the successful bidder(s).

8.4 Construction and Repair Work:

a. Formal Construction or Repair Contracts (\$500,000 and greater):

Construction contracts within this range shall be the responsibility of the Department Head and contracted engineer and other City officials as deemed necessary. These officials are responsible for specification development. After the formal bidding process is completed, the Department Head or his/her designee shall recommend to the City Council the lowest responsible bidder deemed in the best interest of the City. Upon award by the City Council and execution of the contract, the Department Head shall initiate a Request to Purchase form so that a purchase order can be generated to encumber the expenditure account.

a. Informal Construction or Repair Contracts (Less than \$500,000):

Construction, renovation or repair work less than \$500,000 shall be the responsibility of the Department Head, the contracted engineer and other City officials as deemed necessary. The bid award will be made to the lowest responsible bidder deemed in the best interest of the City. Upon approval by the City Manager and execution of the contract, the Department Head or his/her designee shall initiate a Request to Purchase form so that a purchase order can be generated to encumber the expenditure accounts and contact the successful bidder(s).

IX. Specifications

When goods or services are procured under the formal or informal bidding process, specifications must be prepared. All specifications should do at least four things:

- a. Identify minimum requirements
- b. Encourage competitive bids
- c. Capable of objective review
- d. Provide for an equitable award at the lowest possible cost.

Specifications shall be as simple as possible while maintaining the degree of exactness required to prevent bidders from avoiding supplying the goods or services required or otherwise taking advantage of their competitors.

All specifications utilizing a name brand must include the term "or approved equal" to avoid being restrictive and eliminating fair competition from the bidding process. A photocopy will assist the Purchasing Agent in procuring the desired item(s).

- a. Qualified products on acceptable vendor list
- b. Specification by blueprints or dimension sheet
- c. Specification by chemical analysis or physical properties
- d. Specification by performance, purpose or use
- e. Specification by identification with industry standards
- f. Specification by samples

X. Delivery and Performance

A completed and accepted purchase order by the parties concerned must produce the intended results or objectives before it can be considered a successful or completed purchase. The terms and conditions must clearly define the delivery and performance requirements of the services, supplies or equipment.

The importance of the delivery schedule will be emphasized to the vendor. Delivery requirements will be clearly written and fully understood by all vendors. If several items are required by the purchase order, there may be a different schedule of each item. It is necessary to clearly indicate the delivery location on the Request to Purchase form.

10.1 Partial Deliveries:

Some purchase orders may list several items. It is possible the vendor may complete timely delivery on some items, which are referred to as “partial deliveries”. Upon receipt of a partial delivery, photocopy the purchase order; attach a copy of the signed delivery receipt and forward to the Purchasing Agent.

10.2 Non-Performance:

If a vendor fails to meet any requirement(s) of the specifications or terms and conditions of the contract or purchase order, the vendor can be cited for non-performance. The seriousness of non-performance will be evaluated based upon the circumstances of each violation. Specific types of non-performance are discussed in Section XI.

XI. Inspection and Testing

Life and safety as well as successful operation of expensive equipment and supplies may depend upon how well a purchased item meets the design and performance specifications.

Goods and materials should be checked at the time of receipt for damage or defects. The inspection shall include assuring goods comply with the specifications. If damage is found or the goods fail to comply with the specifications, the item(s) shall be rejected as outlined below.

11.1 Rejection:

In order to protect the City’s rights in the event of rejection, for whatever reason, the vendor shall be informed immediately. Reasons for the rejection must be documented in memo form, attached to a copy of the purchase order and forwarded to the Purchasing Agent in a timely manner. The Purchasing Agent will notify the vendor of the reason for the rejection.

11.2 Damaged Goods:

One of the major reasons for immediately inspecting the goods or materials upon receipt is to detect any visible damage. When it is apparent that the extent of the damage causes the goods to be worthless, they will not be accepted. It is necessary that all damage including evidence of concealed damage shall be documented by memo, attached to a copy of the purchased order and forwarded to the Purchasing Agent so that the Purchasing Agent can inform the vendor of the damaged goods.

11.3 Latent Defects:

Latent defects may be the result of damage in transit or failure of the manufacturer to conform to specifications. Consequently, it is often difficult to fix responsibility for the defective material. If specific liability for the defect cannot be determined between the carrier, vendor, or the manufacture, the City may file a claim against all parties. A memo attached to a photocopy of the purchase order must be forwarded to the Purchasing Agent so all parties involved can be properly informed.

XII. Vendor Relations

Good vendor relations are valuable business assets established through mutual confidence and satisfactory business relationships between buyer and seller. An important contribution toward promoting and preserving these relations is a clear understanding of the method of contract between buyer and seller.

The Purchasing Agent shall maintain a vendor file for recording the performance of vendors the City engages in business. Should a department experience difficulties with or have a complaint with a particular vendor, document your concerns on a Vendor Performance Evaluation form provided in (Exhibit G) or a memo to the Purchasing Agent with your concerns. Be as specific as possible, detailing the circumstances, dates, personnel involved (including titles) and phone numbers. This information will be helpful in determining if the vendor shall remain on the vendor list.

If it is a certain vendor should be commended for its efforts, document the circumstances on the Vendor Evaluation Form and forward to the Purchasing Agent.

Vendors will be selected on a competitive basis. formal bids, informal bids, or telephone quotations will be solicited by the Purchasing Agent. Bid awards, purchase orders and/or contracts will be issued to the lowest responsible, responsive bidder in accordance with G.S. § 143-129 and 143-131.

Departments do not have the authorization to commit in writing, or verbally, future City business to vendors. If the department wishes to add a specific vendor or contractor to the bid list, the Purchasing Agent shall be contacted.

XIII. After the Order

The procurement function is not accomplished by simply placing an order with a supplier. Satisfactory delivery must also be made. To insure delivery will be made when required, follow-up is sometimes necessary.

Follow-up or expediting delivery of an order is part of the purchasing process and can be more efficiently handled by the purchasing party. For example:

Purchases initiated by the Purchasing Agent – follow-up would be expedited through the Purchasing Agent.

Purchases initiated by the Department Head using the bank credit card - follow-up will be by the purchaser.

The Purchasing Agent shall on a regular basis review outstanding purchase orders to determine if vendors are delinquent in shipping the items requested. The Purchasing Agent shall contact these vendors concerning the delinquent delivery.

The Purchasing Agent shall contact vendors concerning invoice discrepancies and shall have the authorization along with the Finance Director to approve or disapprove invoice amounts.

XIV. Warehousing

A warehouse is maintained at the Public Works building. An effort is made to keep in stock those items most commonly used by all departments. Computer printouts listing those commodities are available upon request and can be obtained by contacting the Warehouse Inventory Specialist, at 652-6151. Should a department require these items, a representative from the department must pick up the items and complete a Store Requisition (Exhibit H). A copy can be faxed to the Warehouse Inventory Specialist and who will pull the items needed and have them ready when the department representative comes to pick up the items. The original store requisition should be presented at the time of picking up merchandise. If for some reason the department cannot pick-up items requested the Warehouse Inventory Specialist can deliver the items to the department at which time the original store requisition should be presented.

If a department has a recurring demand for a particular item that is not stocked in the warehouse (need for a particular item that exceeds three times in a six month period), the department may request the warehouse stock this item. The procedure for requesting the stocking of additional items is through the completion of (Exhibit I) Request to Stock Form.

Specific instructions for completing a Request to Stock form are as follows:

- a. Description – A thorough description of the item is requested. When possible, please provide catalog data, drawings or pictures.
- b. Recommended Initial Order Quantity – This is the quantity that may be consumed within a 90-day period.
- c. Recommended Minimum Stocking Quantity – This is the critical minimum quantity (i.e. a point that if stock were lower than this quantity, your performance would be compromised).
- d. Adjusted Min/Max Numbers for Current Item – If the item will be used in addition to a current item, advise with the new stocking quantities of the current item

Upon completion of the Request to Stock Form, the requester shall forward it to the Purchasing Agent for review. This review shall basically consist of determining the type of item being requested. If the item replaces a current item, the Warehouse Inventory Specialist shall determine the value of existing stock being replaced. If the dollar amount is significant, the Warehouse Inventory Specialist shall review this with the Purchasing Agent and the Finance Director to determine if existing stock should be depleted to the new recommended min/max stock levels.

The same review process shall be taken with eliminated stock items. These items shall be declared surplus/obsolete and processed in accordance with general statutes.

After the review, the Purchasing Agent shall forward the request to the Warehouse Inventory Specialist, at which time a stock number shall be assigned to the item and a purchase order generated to encumber the expenditure accounts. Upon completion, the Warehouse Inventory Specialist shall return a copy of the Request to Stock to the requester indicating the new stock number and when the item was placed on order.

Exhibit A

Examples of Purchases Not Requiring A Completed Request to Purchase Form

This list is not all-inclusive and could require a Travel Expense Requisition* and/or City Manager/Finance Director approval to be completed.

- Annual dues/memberships/subscriptions
- Claim payments
- Insurance premiums
- Medical examinations
- Land purchases
- Professional Services (i.e. accounting, legal)
- Petty cash – replenishment of funds
- Postage permits and expenses
- Refunds
- Service Contracts (i.e. maintenance, janitorial)
- Travel requisitions
- Tuition fees for educational purposes
- Utilities/telephone/internet services

* Please contact your Department Head, Purchasing Agent or Finance Director for the current Travel Requisition Form

City of Marion
Request For Transfer of Funds

To: Director of Finance & Administration

From: _____

Request that the following Transfer of Funds be accomplished by the Accounting Division.

From:				To:			
Fund/Account	Amount	Budget Before Transfer	Budget After Transfer	Fund/Account	Amount	Budget Before Transfer	Budget After Transfer
Total				Total			

Reason for requesting transfer _____

Requested by: _____ Date: ____ / ____ / ____

Department Head Approval: _____ Date: ____ / ____ / ____

Finance Director: _____ Date: ____ / ____ / ____

Exhibit E

Vendor Performance Evaluation Form

Please take a moment to complete this vendor performance evaluation and return to the Purchasing Agent, Your prompt response is appreciated

Vendor: _____ Purchase Order Number: _____

Date Promised: ____/____/____ Actual Delivery Date: ____/____/____

Date Ordered: ____/____/____

Department Responding: _____

Details or Remarks:

- Continually suggests cost-savings possibilities
 - Has competitive price's
 - Holds backorders to a minimum
 - Anticipates our needs
 - Supplies current catalogs
 - Is prompt and accurate on technical assistance
 - Advises of any potential trouble
 - Promptly replaces rejected items
 - Is courteous and helpful
 - Has a sincere desire to serve
 - Delivers without constant follow-up
 - Expedites and handles all orders courteously
 - Has knowledge of products and industry
 - Keeps abreast of new product developments
 - Provides specified quality products
 - Handles complaints promptly
 - Delivers on or before agreed upon time
 - Produces adequate packaging
 - Identifies or marks packages correctly
 - Makes courteous deliveries
 - Provides proper and accurate delivery receipts
 - Accurately packs shipment lists with containers
 - Purchase order quantities are over or short
- Overall rating: Rate this vendor for this purchase on a scale of 1-10 with (1) indicating unacceptable performance.

<u>Unacceptable</u>	<u>Satisfied</u>	<u>Extremely Satisfied</u>
1	5	10

Quality of item
 Service
 Delivery
 Comments:

**City of Marion
Request to Stock**

Department/Division: _____ Date: ____/____/____

Description: _____

Estimated Annual Usage: _____

Recommended Initial Order Quantity: _____

Recommended Minimum Stocking Quantity: _____

Application: _____

Reason for Stocking: _____

Replaces Current Stock Item No. _____ Yes _____ No _____

Eliminate Current Stock Item No. _____ Yes _____ No _____

Adjusted Min/Max Numbers for Current Item: _____ Min _____ Max _____

Suggested Vendor(s):

Contact Person(s)

Requested By: _____

Approved By: _____

.....
Do Not Write Below This Line

Action Taken: _____

By: _____ Date: ____/____/____

Approved: _____ Disapproved: _____

New Stock Number: _____