



CHESTER COUNTY COUNCIL MEETING SPECIAL CALLED

R. Carlisle Roddey Chester County Government Complex

1476 J.A. Cochran Bypass Chester, SC 29706

Monday June 26th, 2023 at 6:00 PM

Agenda

1. Call to Order

2. Public Hearing

a. 3rd Reading of 2023-14 Chester County Fiscal Year 2023/2024 Budget to Establish Operating And Capital Budgets For The Operation Of The County Government Of Chester County, South Carolina For The Fiscal Year Commencing July 1, 2023; To Provide For The Levy Of Taxes For Chester County For The Fiscal Year Commencing July 1, 2023; To Provide For The Expenditure Of Tax Revenues And Other County Funds; To Provide For Other County Purposes; To Authorize The County To Borrow Money In Anticipation Of Taxes And To Provide For The Repayment Of Sums Borrowed By The County Governing Body; To Provide For The Payment Of Tort Claims And Worker's Compensation Claims Against Chester County; To Provide For Certain Fiscal And Other Matters Relating To County Government.

3. Ordinances/Resolutions/Proclamations

a. 3rd Reading of 2023-14 Chester County Fiscal Year 2023/2024 Budget to Establish Operating And Capital Budgets For The Operation Of The County Government Of Chester County, South Carolina For The Fiscal Year Commencing July 1, 2023; To Provide For The Levy Of Taxes For Chester County For The Fiscal Year Commencing July 1, 2023; To Provide For The Expenditure Of Tax Revenues And Other County Funds; To Provide For Other County Purposes; To Authorize The County To Borrow Money In Anticipation Of Taxes And To Provide For The Repayment Of Sums Borrowed By The County Governing Body; To Provide For The Payment Of Tort Claims And Worker's Compensation Claims Against Chester County; To Provide For Certain Fiscal And Other Matters Relating To County Government.

b. 2023-13 Resolution to Approve County 2023-2024 Departmental Organizational Charts.

c. 1st Reading of 2023-17 An Ordinance to Amend the Chester County Purchasing and Contracting Policies and Procedures Procurement Manual.

4. Adjourn

Karen Lee

From: Tommy Darby
Sent: Thursday, June 22, 2023 1:10 PM
To: Brian Hester; Karen Lee
Cc: Wesley Carter
Subject: Budget Ordinance for 3rd Reading
Attachments: FY24 Budget Ordinance (2).pdf

See the attached ordinance for 3rd reading.

Changes from 2nd Reading

1. Added a Reserve for Encumbrance in GF Department 710 for \$552,459. This is for PO's that have been processed but the item will not be received prior to June 30. See attached list.
2. Added \$95,713 to the Chester Fire District per their request for a Skid unit and two SUV's. This request fits within their revenue projection but was requested after 2nd reading.
3. Changed the wording on travel from Myrtle Beach and Hilton Head to Coastal Area travel since Council now goes to the Isle of Palms for their conference.

Let me know if you have any questions.

Thanks,
Tommy

Tommy Darby | Treasurer

Office of Treasurer

PO Box 686

Chester, SC 29706

803-385-2608 | tdarby@chestercountysc.gov

Purchase Orders to Carry Forward

<u>PO Number</u>	<u>Description</u>	<u>Amount</u>	<u>Account</u>
43663	Fort Lawn FD Generator	15,082.00	100-189-5224
43664	Airport Generator	15,822.00	100-189-5224
45686	Rural Fire MSA Battery	42,444.00	100-189-5224
	EMA Gator	12,800.00	100-189-5224
45918	MEDLITE EMA Transport	3,915.00	100-189-5224
43806	Stryker Flex Financial	33,028.00	100-190-5224
43183	Ambulance	346,568.00	100-501-5301
45889	Ambulance Chassis	82,800.00	100-501-5301
		<u>552,459.00</u>	

CHESTER COUNTY
FISCAL YEAR 2023-2024

AN ORDINANCE

NO.: 2023-14

TO ESTABLISH OPERATING AND CAPITAL BUDGETS FOR THE OPERATION OF THE COUNTY GOVERNMENT OF CHESTER COUNTY, SOUTH CAROLINA FOR THE FISCAL YEAR COMMENCING JULY 1, 2023; TO PROVIDE FOR THE LEVY OF TAXES FOR CHESTER COUNTY FOR THE FISCAL YEAR COMMENCING JULY 1, 2023; TO PROVIDE FOR THE EXPENDITURE OF TAX REVENUES AND OTHER COUNTY FUNDS; TO PROVIDE FOR OTHER COUNTY PURPOSES; TO AUTHORIZE THE COUNTY TO BORROW MONEY IN ANTICIPATION OF TAXES AND TO PROVIDE FOR THE REPAYMENT OF SUMS BORROWED BY THE COUNTY GOVERNING BODY; TO PROVIDE FOR THE PAYMENT OF TORT CLAIMS AND WORKER'S COMPENSATION CLAIMS AGAINST CHESTER COUNTY; TO PROVIDE FOR CERTAIN FISCAL AND OTHER MATTERS RELATING TO COUNTY GOVERNMENT.

		GENERAL FUND			Department Totals	
		Personnel	Operating	Capital	Allocations	
101	County Council	148,002	36,900			184,902
102	Delegation	22,854	1,000			23,854
105	County Administrator	266,052	9,000			275,052
106	Finance	305,340	6,100			311,440
110	Human Resources	235,215	36,100			271,315
115	Purchasing Department	114,619	2,340			116,959
120	County Treasurer	321,829	54,155			375,984
125	Delinquent Tax Collector	100,491	66,650			167,141
130	Auditor	174,592	3,875			178,467
135	Tax Assessor	352,509	29,000			381,509
140	Planning and Zoning	223,542	252,800			476,342
145	Economic Development	450,047	77,710			527,757
150	Coroner	159,338	68,200			227,538
155	Registration and Election	146,318	81,350			227,668
160	County Garage	108,541	266,300			374,841
170	Building Maintenance	510,518	734,800			1,245,318
175	Airport				40,000	40,000
176	Information Technology	125,380	376,875			502,255
177	Utilities		850,000			850,000
178	Telephone		98,602			98,602
179	Postage		45,000			45,000
180	Bond Insurance		3,000			3,000
181	Property and Liability Insurance		873,516			873,516
182	Worker's Compensation Insurance	340,260				340,260
183	Unemployment Benefits	10,000				10,000
185	Employee Health Insurance	1,999,596				1,999,596
186	Audit Expense		70,000			70,000
187	Catawba Regional		40,396			40,396
188	SC Association Of Counties		8,898			8,898
189	Grant Matching Funds		356,605			356,605
190	Contingent Fund		483,259			483,259
194	Copier Lease		140,000			140,000
199	Code Enforcement	43,346	9,210			52,556
210	GIS	62,002	195,015			257,017
215	QSI		283,621			283,621
220	Medical Services		270,000			270,000
250	Attorney Services	143,880				143,880
255	Clerk of Court	387,346	103,500			490,846
260	Family Court	178,825	84,000			262,825
265	Probate Judge	264,930	21,910			286,840
275	Chester Magistrate	442,504	74,670			517,174

CHESTER COUNTY
FISCAL YEAR 2023-2024

	Personnel	Operating	Capital	Allocations	Department Totals
291	Court of Appeals				5,000
292	Circuit Court				1,300
295	Public Defender			176,326	176,326
299	Solicitor			306,546	306,546
301	Sheriff's Department	4,193,059	722,812	41,585	4,957,456
340	Detention Center	2,320,299	547,065		2,867,364
345	Fire Coordinator	229,241	896,500		1,125,741
350	Rural Fire Department		655,532	15,000	670,532
355	Emergency Management	137,333	24,300		161,633
360	E911	1,159,807	402,857		1,562,664
365	Animal Control	317,852	158,500		476,352
370	Chester County Rescue Squad			12,000	12,000
375	Great Falls Rescue Squad			12,000	12,000
401	Road Department	184,335	100,250		284,585
402	Public Works	138,595	5,800		144,395
405	Litter Control	89,321	4,600		93,921
501	E.M.S.	3,111,569	397,642	30,000	3,539,211
505	Veteran's Affairs	138,745	3,490		142,235
510	Department of Social Services		53,000		53,000
515	D.H.E.C.		57,000		57,000
530	Senior Services			16,200	16,200
540	Chester Lancaster Disabilities			4,050	4,050
545	Soil and Water Conservation			11,000	11,000
555	Indigent Patients			50,781	50,781
560	Keystone			5,000	5,000
601	Recreation	81,440	66,500		147,940
615	Clemson Extension			12,150	12,150
625	Great Falls Hometown Association			12,000	12,000
626	Palmetto Citizens Against Sexual Assault			5,000	5,000
627	Summer Feeding Program			10,000	10,000
629	Catawba Community Mental Health Center			3,000	3,000
630	Fort Lawn Community Center			4,050	4,050
700	Salary Study Implementation Phase IV	230,287			230,287
701	Capital Reserve			2,118,086	2,118,086
710	Reserve for Encumbrance			552,459	552,459
	Total Personnel	19,969,759			
	Total Operating		10,216,505		
	Total Capital		2,757,130		
	Total County Allocations			680,103	
TOTAL GENERAL FUND					33,623,497
MILLAGE FUNDS					
	Solid Waste Collection				946,857
	Lando Fire District				193,000
	Chester Fire District				2,421,852
	Library Operations				950,000
	York Tech				255,700
	Lewis Fire District				110,000
	Fort Lawn Fire District				115,000
	Richburg Fire District				1,179,499
TOTAL MILLAGE FUNDS					6,171,908
SPECIAL REVENUE FUNDS					
	E-911 Funds				307,350
	C-Funds				1,559,900
	Victims Assistance Fund				115,509
	Economic Development 4% FILOT				145,000
	Capital / Rolling Stock Program				1,810,000
	Courthouse Improvements				75,000
	American Rescue Plan Act (ARPA)				4,993,096
	County Local ATAX				323,000
TOTAL SPECIAL REVENUE FUNDS					9,328,855
ENTERPRISE FUND					
	Solid Waste Disposal				1,599,789
	Gateway Conference Center				242,028
TOTAL ENTERPRISE FUND					1,841,817
DEBT SERVICE FUND					
	Lando Fire District Debt Service				113,912
	Fort Lawn Fire District Debt Service				45,682
	Chester County Debt Service Retirement				2,079,497
	Chester Fire District Debt Service				102,101
	Capital Project Sales Tax Debt Service				2,548,828
	Richburg Fire District Debt Service				147,624
TOTAL DEBT SERVICE FUNDS					5,037,644
TOTAL APPROPRIATIONS					\$ 56,003,721

CHESTER COUNTY
FISCAL YEAR 2023-2024

SECTION 2: For the purposes of meeting the appropriation made in this ordinance the following receipts and anticipated revenues of Chester County are hereby allotted for such purposes, together with all other income not specifically allocated to other purposes. It is estimated that the following special revenues will accrue to Chester County during the fiscal year:

GENERAL FUND

PROPERTY TAX

Real and Personal	11,813,144
Vehicle Taxes	1,529,975
Delinquent Tax Collections	750,000
Local Option Taxes - Credit Fund	3,052,964
Local Option Taxes - County Revenue Fund	1,130,000
Homestead Exemption	1,151,535
Manufacturers Reimbursement	1,269,829
P.L.L.O.T.	196,000
Fee-in-Lieu of Taxes	3,534,000
Merchants Inventory	90,024
	24,517,471

LICENSES, FEES, FINES AND PERMITS

Magistrates	361,000
Clerk of Court - Fines and Fees	356,000
Family Court	93,500
Vehicle Decal Fees	27,000
Tax Collector	94,000
Probate Judge	78,000
Zoning Fees	14,200
Building Permits	665,000
	1,688,700

INTERGOVERNMENTAL

Local Government Revenue	1,828,781
Accomodations Tax - State Allocation	30,000
Salary Supplement - Elected Officials	60,000
Operating Transfer In	100,000
Sheriff Local Sources	9,000
	2,027,781

OTHER INCOME

EMS Fees	1,510,000
Franchise Fees	19,600
D.S.S.	6,500
Interest Income	725,000
Rentals	56,900
National Forest Fund	48,000
Animal Control Revenue	8,400
Appropriation of Fund Balance	2,816,545
Miscellaneous	198,600
	5,389,545

TOTAL GENERAL FUND

33,623,497

MILLAGE FUNDS

PROPERTY TAXES

Chester Fire District	2,421,852
Lando Fire District	193,000
Lewis Fire District	110,000
Fort Lawn Fire District	115,000
Richburg Fire District	1,179,499
Library Operations	950,000
Solid Waste Collection	946,857
York Tech	255,700

TOTAL MILLAGE FUNDS

6,171,908

CHESTER COUNTY
FISCAL YEAR 2023-2024

SPECIAL REVENUE FUNDS

E-911 Funds	307,350
C-Funds	1,559,900
Victims Assistance Fund	115,509
Economic Development 4% FILOT	145,000
Capital / Rolling Stock Program	1,810,000
Courthouse Improvements	75,000
American Rescue Plan Act (ARPA)	4,993,096
County Local ATAX	323,000
TOTAL SPECIAL REVENUE FUNDS	9,328,855

ENTERPRISE FUND

USER FEES	
Solid Waste Disposal	1,599,789
Gateway Conference Center	242,028
TOTAL ENTERPRISE FUND	1,841,817

DEBT SERVICE FUND

Lando Fire District Debt Service	113,912
Fort Lawn Fire Debt Service	45,682
Chester County Debt Service Retirement	2,079,497
Chester Fire District Debt Service	102,101
Capital Project Sales Tax Debt Service	2,548,828
Richburg Fire District Debt Service	147,624
TOTAL DEBT SERVICE FUND	5,037,644
TOTAL REVENUE	\$ 56,003,721

To further meet the appropriations provided by this ordinance, The Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the Chester County Treasurer is directed to collect a tax necessary to meet all budget requirements, except as provided for by other revenue sources, for the operation of the county government for the fiscal year beginning July 1, 2023 through June 30, 2024.

SECTION 3: All County purchases shall be made in accordance with the Ordinance establishing a centralized purchasing system for the procurement of goods and services required by Chester County in conformity with purchasing policies and procedures established and approved by the County governing body. The appropriations provided in the ordinance shall not in any case be exceeded, and any contracts which may be made, or which may in any manner provide for the expenditures of funds in excess of those provided in this ordinance shall not be binding upon Chester County. Any person, firm, corporation or other organization selling supplies or commodities or rendering services to Chester County is charged with the duty of ascertaining in advance whether or not the appropriations for that purchase are sufficient to pay for the furnishing of such supplies, commodities or services.

SECTION 4: No money appropriated for any specific purpose under the provisions of this ordinance shall be used for any other purpose than that specified; provided however, that the Chester County Administrator may reallocate budgeted but unexpended funds within any county office, department, board, commission or institution receiving County funds; provided, further that the Chester County Council or a majority thereof may in its discretion by proper resolution transfer or reallocate budgeted but unexpended funds from one County office, department, board, commission, or institution to another. Any reallocation of unexpended funds for salary adjustments must be approved by Chester County Council. Also, any reallocation of unexpended funds that obligates future budgets must be approved by Chester County Council. Any amount appropriated in this ordinance may be discontinued at any time by appropriate action of a majority of the County governing body.

SECTION 5: The County is hereby empowered to borrow in anticipation of tax or other revenues for County purposes any sum not exceeding the amount anticipated to be received from taxes and other revenues during the current or succeeding fiscal year, and not only to pledge the taxes or other revenues anticipated in the current or succeeding fiscal year, but to pledge, also, the full faith and credit of Chester County for repayment of any sums so borrowed. Such sums shall be borrowed from any banking institution or lending agency and shall be payable at such time, upon such items and in such sums as may be negotiated between the County and the lender.

SECTION 6: The Chester County Attorney shall represent all agencies, boards and officials and subdivisions in Chester County, which are subject to the budgetary controls of the County Council. Said attorney shall not represent any organization, agency or individual in any matter coming before the County Council. In legal matters in which the County Attorney requests authority to associate other counsel, and such authority is approved by the County governing body, County funds may be expended as compensation for such associate counsel.

SECTION 7: An independent annual audit of all financial records and transactions of the County shall be made by a Certified Public Accountant or Firm of public accounts who have no personal interest, direct or indirect in the fiscal affairs of the County government of Chester County or any of its officers. The County Council may, without requiring competitive bids, designate such accountant or firm annually or for a period not exceeding one year; provided that such designation

shall be made not later than thirty (30) days after the beginning of such fiscal year. Unless included in the Annual County audit, an annual audit of each agency, board, bureau or commission of Chester County, funded in whole or in part by County funds shall be made. Copies of the annual audit and such other audits as are required by this section shall be filed in the office of the Clerk of Court for Chester County and provided for the Chester County Administrator and every member of the County governing body. The audit reports shall be made available for public inspection.

SECTION 8: When employees are required to travel on official business, the County shall pay reasonable amounts for transportation, meals and lodging. If the employee's personal vehicle is utilized, the employee shall be reimbursed at the current published IRS rate. Meal expenses will be reimbursed but may not exceed \$35.00 for a twenty-four hour period for in state travel, \$50.00 for out of state travel, and \$50.00 for Coastal Area travel.

SECTION 9: The Chester County Tax Collector may call upon the Chester County Sheriff or any deputy or constable of the County to render such aid and assistance as may be necessary in the ejectment of any occupant or tenant in possession of any property at any time when ejectment shall be lawful and proper in the discharge of the duties of the office of Tax Collector. Such aid and assistance shall be rendered without cost other than those provided by law.

SECTION 10: The fiscal and budgetary year of Chester County Government shall commence on the first day of July of each year and shall end on the 30th day of June the following year. All offices, departments, boards, commissions, agencies, or institutions receiving County funds shall make a full, detailed annual fiscal report to the County Council at the end of each fiscal year. The County Council may from time to time make supplemental appropriations, which shall specify the source of funds for such appropriations. The County governing body or the County Administrator may require reports, estimates and statistics from any County agency or department as may be necessary in the preparation of annual budgets or supplemental appropriations. The Chester County Finance Office shall provide a monthly report of revenues, expenditures and cash balances to the County Council.

SECTION 11: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in the Lando Fire District in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$193,000 which shall be utilized for the support of the Lando Fire District. The total amount appropriated for the Lando Fire District is \$193,000.

SECTION 12: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$113,912 which shall be applied to the retirement of Lando Fire District bonded indebtedness. The total amount appropriated for the Lando Fire District bond retirement is \$113,912.

SECTION 13: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in the Lewis Fire District in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$110,000 which shall be utilized for the support of the Lewis Fire District. The total amount appropriated for the Lewis Fire District is \$110,000.

SECTION 14: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in the Fort Lawn Fire District in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$115,000 which shall be utilized for the support of the Fort Lawn Fire District. The total amount appropriated for the Fort Lawn Fire District is \$115,000.

SECTION 15: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$45,682 which shall be applied to the retirement of Fort Lawn Fire District bonded indebtedness. The total amount appropriated for the Fort Lawn Fire District bond retirement is \$45,682.

SECTION 16: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in the Chester Fire District, in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$2,421,852 which shall be utilized for the support of the Chester Fire District. The total amount appropriated for the Chester Fire District is \$2,421,852.

SECTION 17: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$102,101 which shall be applied to the retirement of Chester Fire District bonded indebtedness. The total amount appropriated for the Chester Fire District bond retirement is \$102,101.

SECTION 18: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in the Richburg Fire District, in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$120,901 which shall be utilized for the support of the Richburg Fire District. The total amount appropriated for the Richburg Fire District is \$1,179,499.

SECTION 19: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$147,624 which shall be applied to the retirement of Richburg Fire District bonded indebtedness. The total amount appropriated for the Richburg Fire District bond retirement is \$147,624.

SECTION 20: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in the unincorporated area of Chester County, South Carolina, and the Chester County Treasurer is directed to collect a tax of \$946,857 which shall be utilized for the support of Solid Waste Collection. The total amount appropriated for Solid Waste Collection is \$946,857.

SECTION 21: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$2,079,497 which shall be applied to the retirement of Chester County bonded indebtedness. The total amount appropriated for the Chester County bond retirement is \$2,079,497.

SECTION 22: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$950,000 which shall be utilized for the support of the Chester County Library. The total amount appropriated for the Chester County Library is \$950,000.

SECTION 23: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$255,700 which shall be utilized for the support of the York Technical College campus in Chester County. The total amount appropriated for the York Technical College campus is \$255,700.

SECTION 24: Agencies, boards and commissions which are partially funded by other counties and/or other governmental units must certify to the County the amount of funds appropriated by the other counties and/or other governmental units prior to receiving any of the funds appropriated by this ordinance.

SECTION 25: Funds appropriated under this ordinance from the General Fund to any Department, Board or Agency, or for any other purpose, but unexpended during the fiscal year, shall revert to the General Fund of Chester County at the end of the fiscal year.

SECTION 26: Building permit fees will be based on the current scale of the International Building Codes or the actual cost of construction when the applicant can show detailed estimated cost to meet the approval of the building official. The minimum permit fee for a building permit, electrical permit, gas permit, plumbing permit, mechanical permit, transfer permit, refund permit and re-inspection permit shall be \$30.00. The minimum fee for a mobile home permit shall be \$200.00, which shall include a \$5.00 mobile home license fee. Other planning and zoning fees are listed under SECTION 27 of this ordinance.

SECTION 27: All taxes, fees, charges and assessments not otherwise allocated by law shall be deposited in the Chester County general fund with other general fund revenues. All such taxes, fees, charges and assessments shall be appropriated and allocated by the Chester County Council in the manner as other general revenues.

BUILDING	FEE (\$)
911 Address Stakes	20.00
Manufactured Homes (Minimum Fee)	205.00
Residential Plan Review	½ cost of permit
Commercial/Industrial Plan Review	½ cost of permit
Residential Re-inspection Fee	\$50.00
Commercial Re-Inspection Fee	\$100.00
ZONING	
Commercial Zoning Compliance Letters	35.00
Residential Zoning Compliance	20.00
Manufactured Zoning Compliance	20.00
Home Occupation Letter	35.00
Commercial/Industrial Zoning Site Plan Review	300.00
Zoning Site Plan Re-Review	75.00
Site Review	35.00
Certificate of Occupancy Zoning Site Review	35.00
Rezoning	Per Parcel: Residential/Non-Residential PUD/Planned Development
	150.00/300.00 1000.00
Special Exception: Residential/ Non-Residential	150.00/300.00
Variance: Residential/Non-Residential	150.00/300.00
New Communication Towers	1000.00
Zoning Ordinance Book	35.00
Comprehensive Plan Book	35.00
Zoning Maps	35.00
Flood Plain Review	Residential Commercial Industrial
	25.00 50.00 100.00
LAND DEVELOPMENT	
Variance, Flag Lot, Easement, Street Access and Private Rural Community Drive	150.00
Plat Approval (Five Sealed Copies)	20.00
Each additional Plat Approval (per sealed copy)	5.00
Sketch Plan Review	100.00
Preliminary Plat Approval (per lot)	20.00
Final Plat Approval (per lot)	10.00
Land Development Book	35.00
Grading	3 acres or less 4 to 11 acres 12 to 51 acres 52 to 99 acres Over 100 acres
	90.00 120.00 205.00 340.00 475.00
Culvert	Single Multi-Family Commercial/Industrial
	350.00 650.00 650.00
Stop Sign	75.00
Speed Limit Sign	75.00
End of County Maintenance Sign	75.00
Street Name Sign	100.00

PARKS AND RECREATION	FEE (\$)
County Owned / Leased Recreational Facilities	100.00
CHESTER WAR MEMORIAL BUILDING \$300 Refundable Deposit	1000.00
GREAT FALLS WAR MEMORIAL BUILDING \$200 Refundable Deposit	600.00
THE GATEWAY CONFERENCE CENTER	
Pricing for Sunday – Thursday	
Grand Ballroom (A, B & C), 9,390 sq. ft.	4,800.00
Petite Ballroom (A & B), 6,031 sq. ft.	2,400.00
Ballroom A, 3,462 sq. ft.	1,300.00
Ballroom B, 2,569 sq. ft.	1,300.00
Ballroom C, 3,969 sq. ft.	2,400.00
Grand Salon, 2,852 sq. ft.	1,200.00
Salon A, 1,406 sq. ft., (\$204/4 hours-\$255/5 hours)	700.00
Salon B, 1,446 sq. ft., (\$228/4 hours-\$285/5 hours)	700.00
Grand Meeting Room, 3,064 sq. ft.	1,350.00
Petite Meeting Room (A & B), 2,128 sq. ft.	1,260.00
Meeting Room A, 1,073 sq. ft., (\$228/4 hours-\$285/5 hours)	650.00
Meeting Room B, 1,055 sq. ft., (\$204/4 hours-\$255/5 hours)	650.00
Meeting Room C, 936 sq. ft.	450.00
L&C Conference Room, 396 sq. ft.	210.00
*** In addition to the rental charge, there will be a \$500 security deposit per room	
Pricing for Friday & Saturday	
Grand Ballroom (A, B & C), 9,390 sq. ft.	6,000.00
Petite Ballroom (A & B), 6,031 sq. ft.	3,000.00
Ballroom A, 3,462 sq. ft.	1,600.00
Ballroom B, 2,569 sq. ft.	1,600.00
Ballroom C, 3,969 sq. ft.	3,000.00
Grand Salon, 2,852 sq. ft.	1,500.00
Salon A, 1,406 sq. ft., (\$255/4 hours-\$319/5 hours)	850.00
Salon B, 1,446 sq. ft., (\$285/4 hours-\$356/5 hours)	850.00
Grand Meeting Room, 3,064 sq. ft.	1,688.00
Petite Meeting Room (A & B), 2,128 sq. ft.	1,575.00
Meeting Room A, 1,073 sq. ft., (\$285/4 hours-\$356/5 hours)	825.00
Meeting Room B, 1,055 sq. ft., (\$255/4 hours-\$319/5 hours)	825.00
Meeting Room C, 936 sq. ft.	563.00
L&C Conference Room, 396 sq. ft.	263.00
***In addition to the rental charge, there will be a \$500 security deposit per room.	
THE GATEWAY CONFERENCE CENTER	
Projectors (per projector)	100.00
Grand Ballroom	300.00
Grand Salon	200.00
Grand Meeting	300.00
Podium with microphone	25.00
Podium with computer	65.00
Handheld or lapel microphone	25.00
XLR input	25.00
A/V rack	125.00
Weekend A/V Tech (unscheduled) (rate per hour)	150.00
A/V Tech (scheduled) (rate per hour)	100.00
Stadium speakers and spotlights- Grand Ballroom	350.00
Stadium speakers and spotlights- Ballroom C	150.00

THE GATEWAY CONFERENCE CENTER (continued)	
Sweetheart / Cake table (per table)	7.50
Cocktail Table (per table)	10.00
Mouthwash dispensers (per dispenser)	25.00
Red Wine Corking Fee	200.00
Dressing Lounges (use of 2 nd set or use without appropriate room rental- only if available)	200.00
THE TAX ASSESOR'S OFFICE	
Price per copy of property tax record	0.25
Price per copy of homeowner or business owner property tax record	0.00
Price for digital parcels for entire Chester County	5,500.00
TREASURER'S OFFICE	
Copy Card Access	1.00
Price per copy	0.25
Credit Card Convenience Fee	2% of Total
Vehicle Decal Fee	1.00
Duplicate Receipt	1.00
LANDFILL	
Price per ton – Transfer Station - MSW	49.50
Price per ton – C&D	48.00
CHESTER COUNTY DETENTION CENTER	
Inmate housing to municipalities (suspended 5/20/19)	52.00
CHESTER COUNTY CORONER'S OFFICE	
Coroner's Report	50.00
Autopsy Report	100.00
Photographs (Per Photo)	2.00
CD/Photographs	25.00
Toxicology Report	50.00
Cremation Report	20.00

SECTION 28: This ordinance shall take effect on July 1, 2023. Adopted this 26th day of June 2023.

Joe Branham, Chairman (District 3)

Mike Vaughn, Council Member (District 2)

John Agee, Council Member (District 1)

Erin Mosley, Council Member (At Large)

Pete Wilson, Council Member (District 4)

Corey Guy, Council Member (District 5)

William Killian, Council Member (District 6)

ATTEST:

By: _____

Karen Lee
Clerk to County Council
Chester County, South Carolina

First Reading: May 15th, 2023
Second Reading: June 5th, 2023
Public Hearing: June 26th, 2023
Third Reading: June 26th, 2023



Resolution 2023-13

STATE OF SOUTH CAROLINA)
)
 COUNTY OF CHESTER)

A RESOLUTION TO APPROVE COUNTY 2023-2024 DEPARTMENTAL ORGANIZATIONAL CHARTS

WHEREAS, Section 4-9-420(12) empowers the County Administrator “for employment and discharge of personnel subject to the provisions of subsection (7) of Section 4-9-30 and subject to the appropriation of funds by the council for that purpose; and

WHEREAS, County Council is empowered to make appropriations for existing and newly created positions; and

WHEREAS, the responsibilities of amendments to organizational charts fall squarely within the purview of the County Supervisor under 4-9-420(12); and

WHEREAS, the responsibility of funding positions falls squarely within the purview of the County Council; and

WHEREAS, it is important to formally establish standards of review for changes in County departmental organizational charts to clear the lines of responsibility.

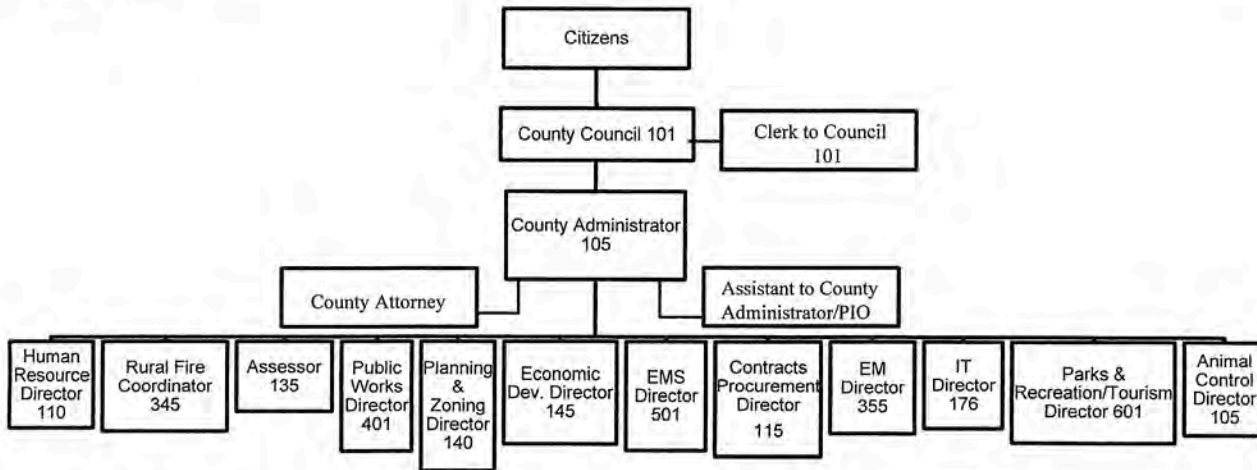
NOW THEREFORE BE IT ORDAINED THAT

1. The County Council shall annually adopt in conjunction with the budget the Chester County Position and Classification List which shall identify by department or agency each approved position and the grade for the position.
2. County Council shall by resolution adopt new positions that are added to departmental organizational charts and appropriate funding for that position.
3. The organizational charts submitted to the Chester County Council shall be approved as appropriate and proper for the County as of the date of adoption.

This Resolution shall be effective upon adoption by the Chester County Council.

COUNTY ADMINISTRATOR– ORGANIZATIONAL CHART

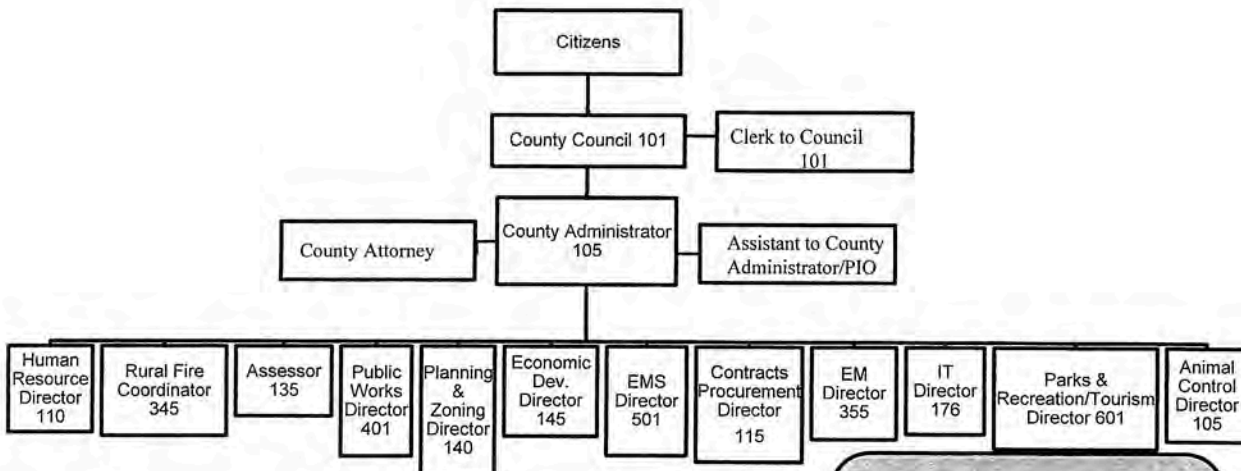
Fiscal year 2023-2024
 - No Changes




Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Administrator:

COUNTY ADMINISTRATOR– ORGANIZATIONAL CHART

Fiscal year 2022-2023
 - No Changes

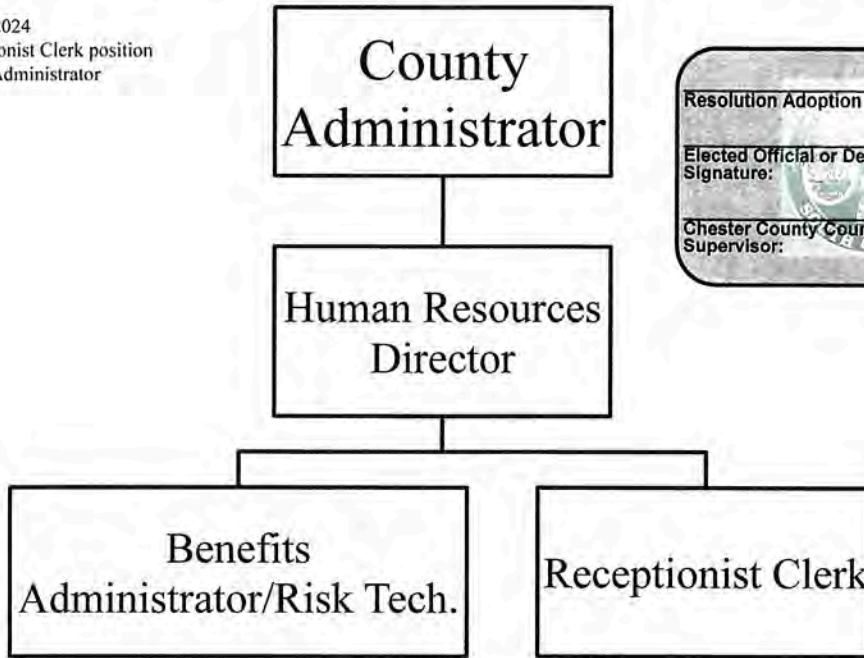



Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Administrator:

HUMAN RESOURCES – ORGANIZATIONAL CHART

Fiscal year 2023-2024

- Added Receptionist Clerk position
- From County Administrator

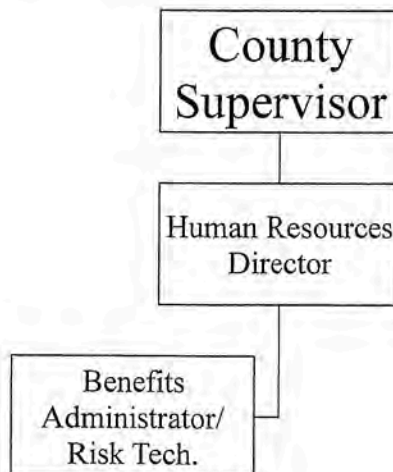


Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Supervisor:

HUMAN RESOURCES – ORGANIZATIONAL CHART

Fiscal year 2022-2023

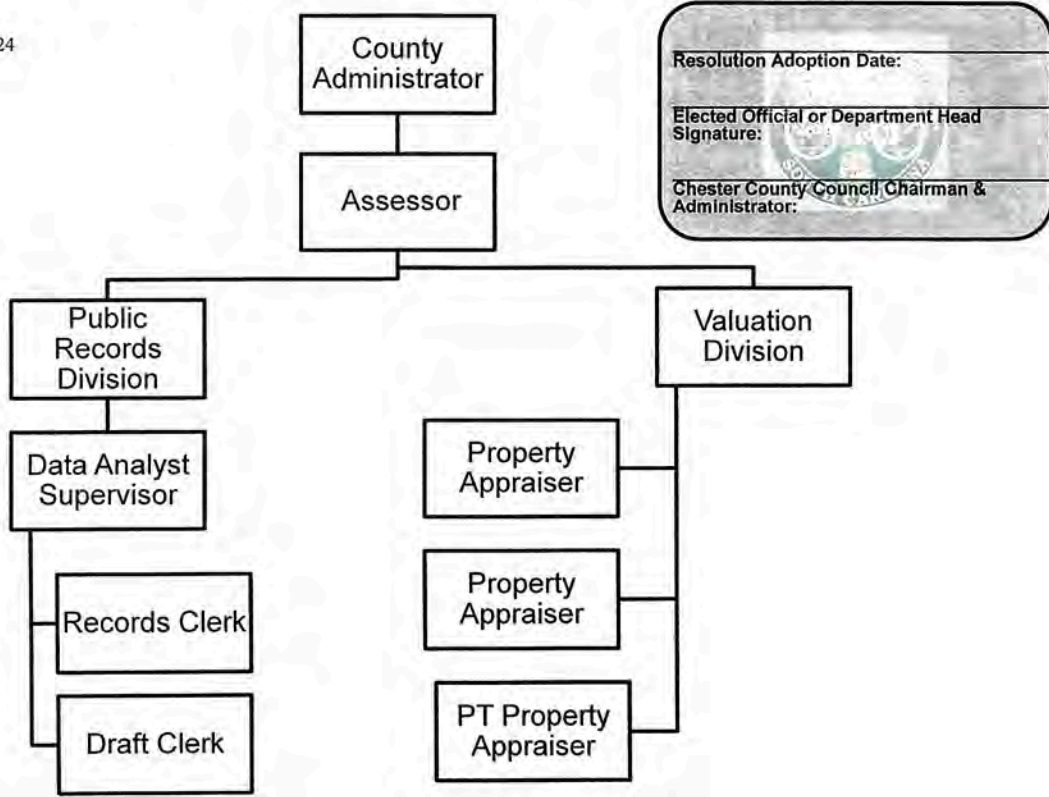
- No Changes



10-17-2022
Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Supervisor:

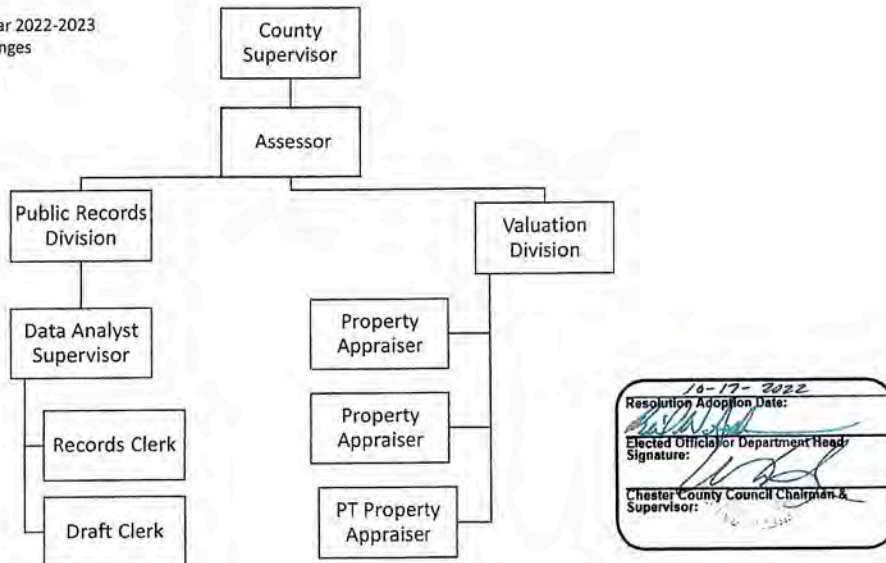
ASSESSOR – ORGANIZATIONAL CHART

Fiscal year 2023-2024
- No Changes



ASSESSOR – ORGANIZATIONAL CHART

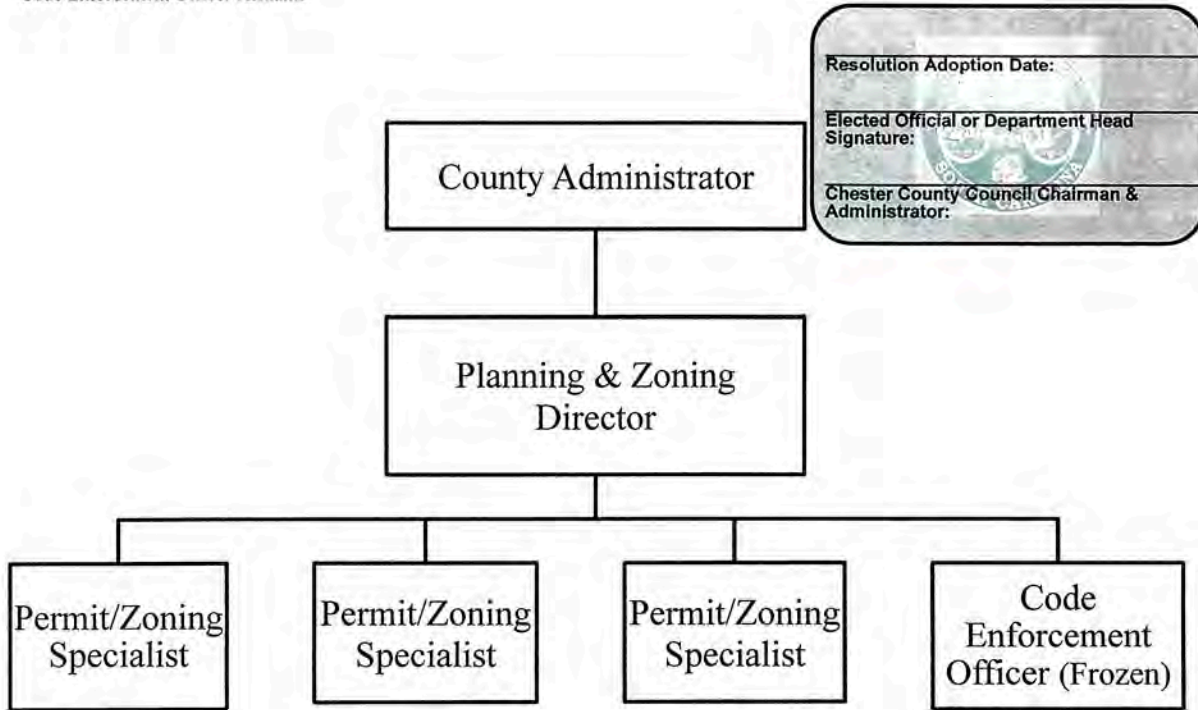
Fiscal year 2022-2023
- No Changes



PLANNING & ZONING – ORGANIZATIONAL CHART

Fiscal year 2023-2024

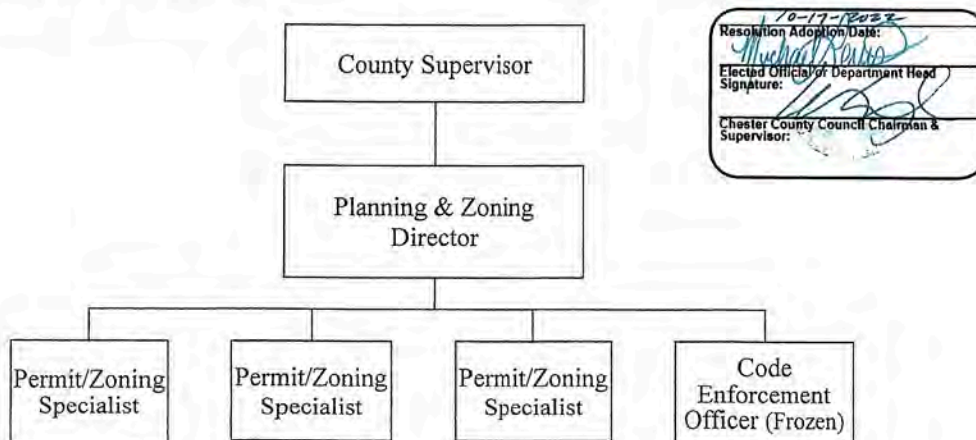
- Code Enforcement Officer Remains



PLANNING & ZONING – ORGANIZATIONAL CHART

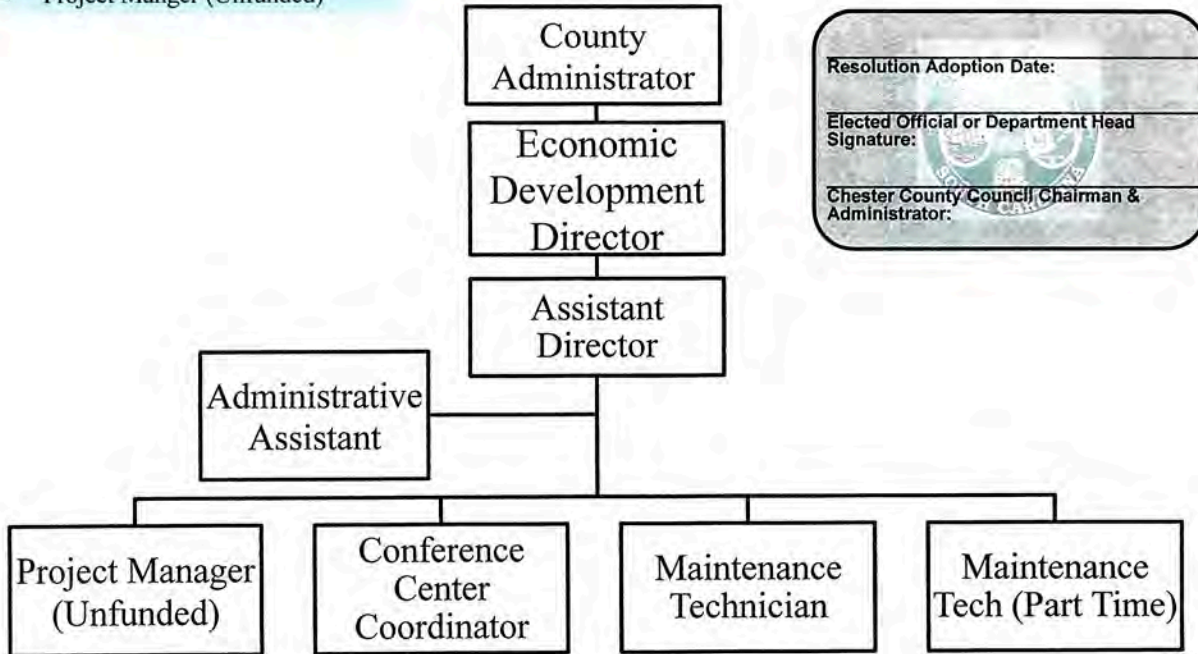
Fiscal year 2022-2023

- Code Enforcement Officer Remains
- Reclassify Lead Zoning back to Permit Zoning Specialist (Re-allocated difference)



ECONOMIC DEVELOPMENT – ORGANIZATIONAL CHART

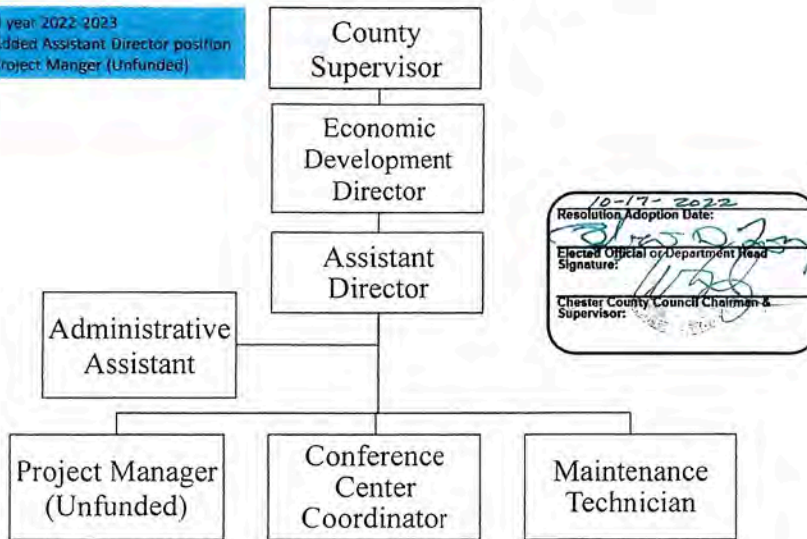
Fiscal year 2023-2024
 - Project Manger (Unfunded)



Resolution Adoption Date:
 Elected Official or Department Head Signature:
 Chester County Council Chairman & Administrator:

ECONOMIC DEVELOPMENT – ORGANIZATIONAL CHART

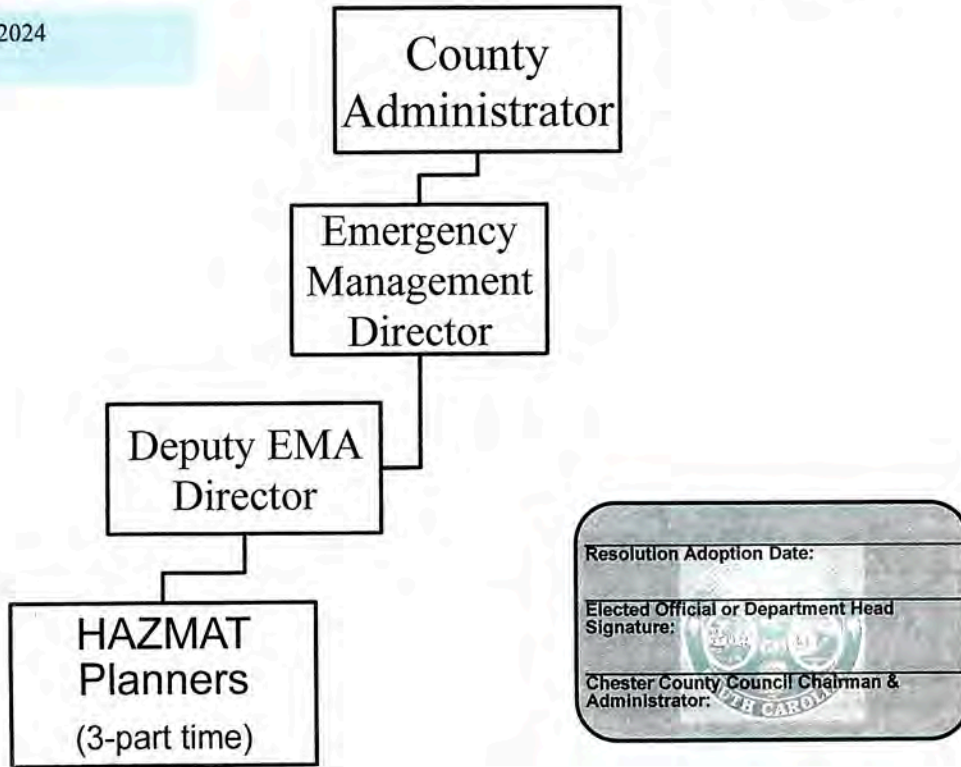
Fiscal year 2022-2023
 - Added Assistant Director position
 - Project Manger (Unfunded)



10-17-2022
 Resolution Adoption Date:
 Elected Official or Department Head Signature:
 Chester County Council Chairman & Supervisor:

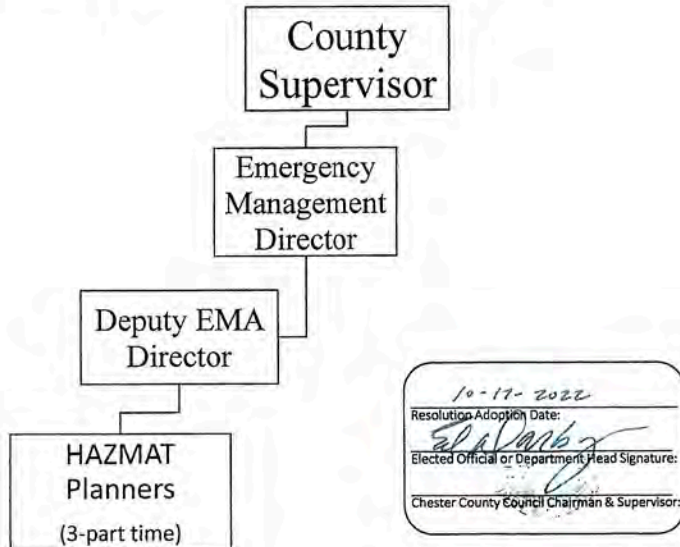
EMERGENCY MANAGEMENT – ORGANIZATIONAL CHART

Fiscal year 2023-2024
- No Changes



EMERGENCY MANAGEMENT – ORGANIZATIONAL CHART

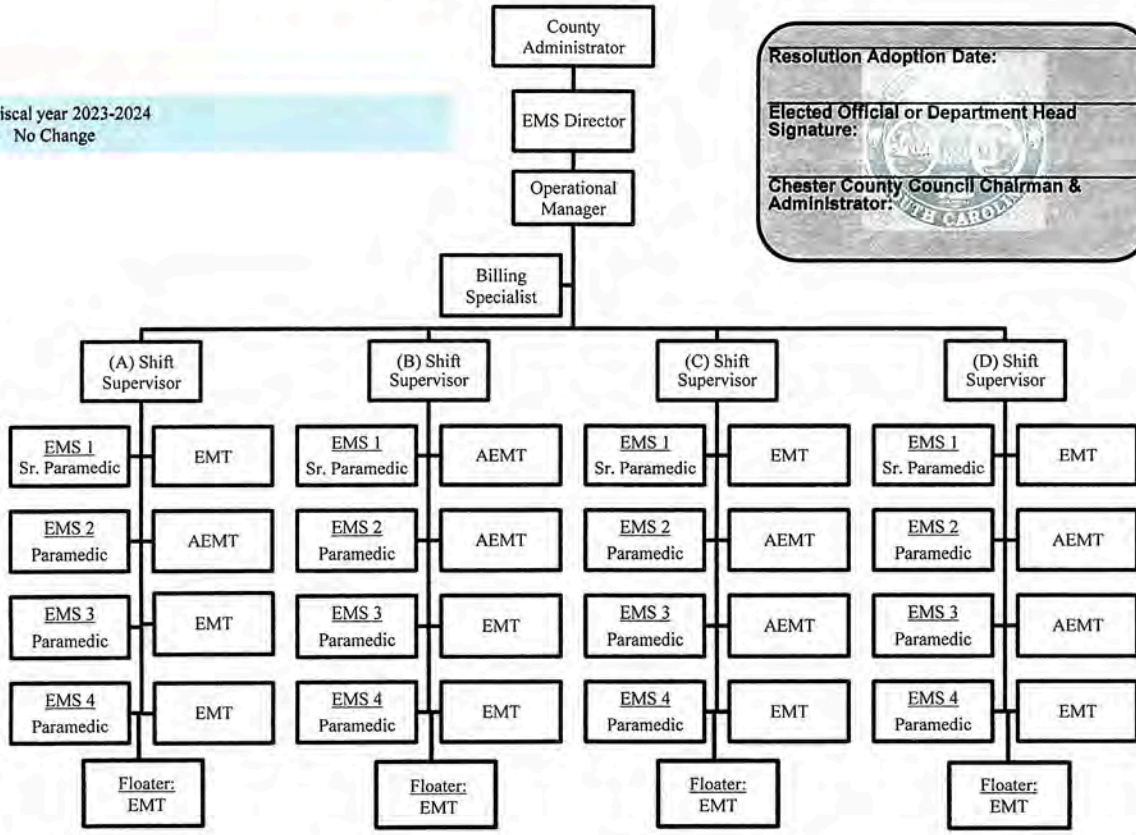
Fiscal year 2022-2023
- No Changes



EMS – ORGANIZATIONAL CHART

Fiscal year 2023-2024
- No Change

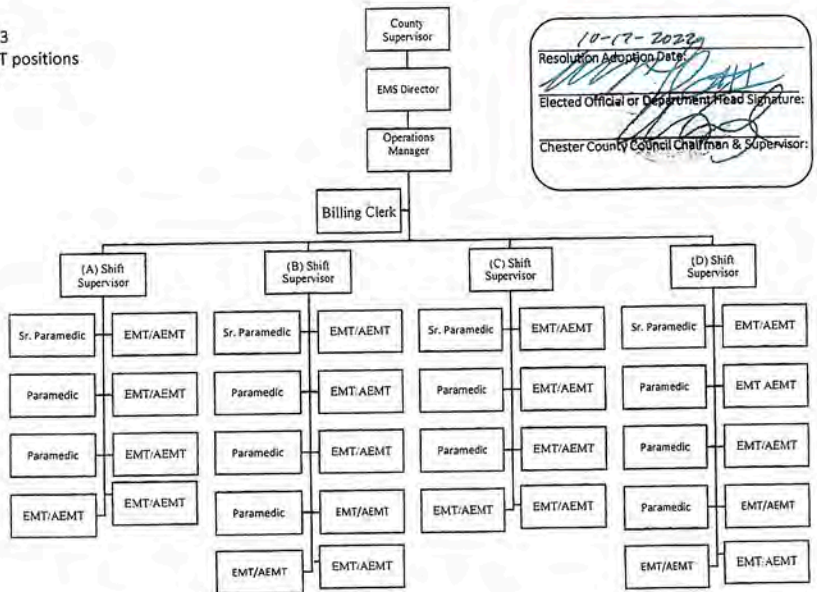
Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Administrator:



EMS – ORGANIZATIONAL CHART

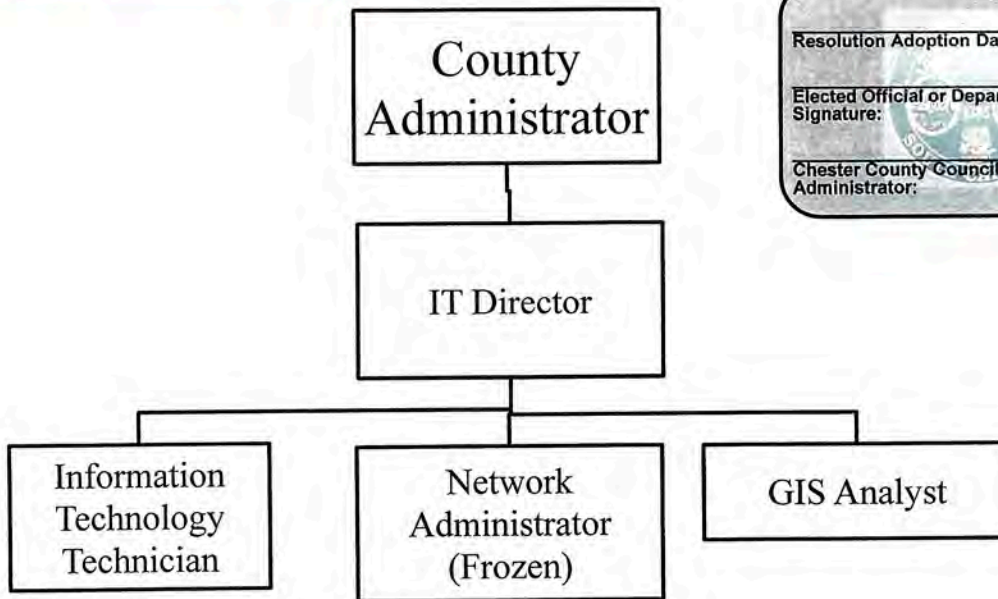
Fiscal year 2022-2023
- Added 4 EMT/AEMT positions

10-17-2022
Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Supervisor:



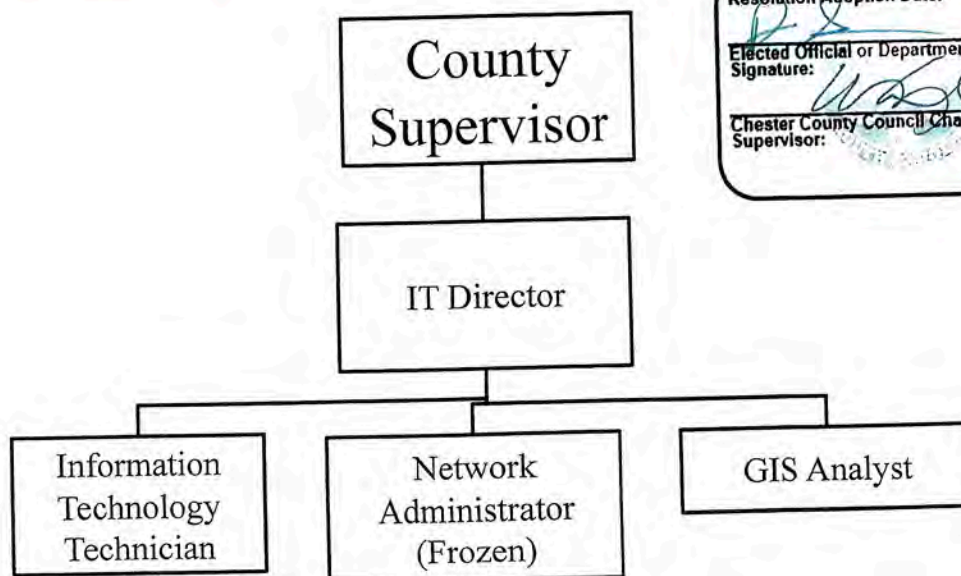
Information Technology Systems – Organizational Chart

Fiscal year 2023-2024
- Network Administrator (Frozen)



Information Technology Systems – Organizational Chart

Fiscal year 2022-2023
- GIS Analyst position funded



CONTRACTS & PROCUREMENT – ORGANIZATIONAL CHART

Fiscal year 2023-2024
- No Changes



Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Administrator:

CONTRACTS & PROCUREMENT – ORGANIZATIONAL CHART

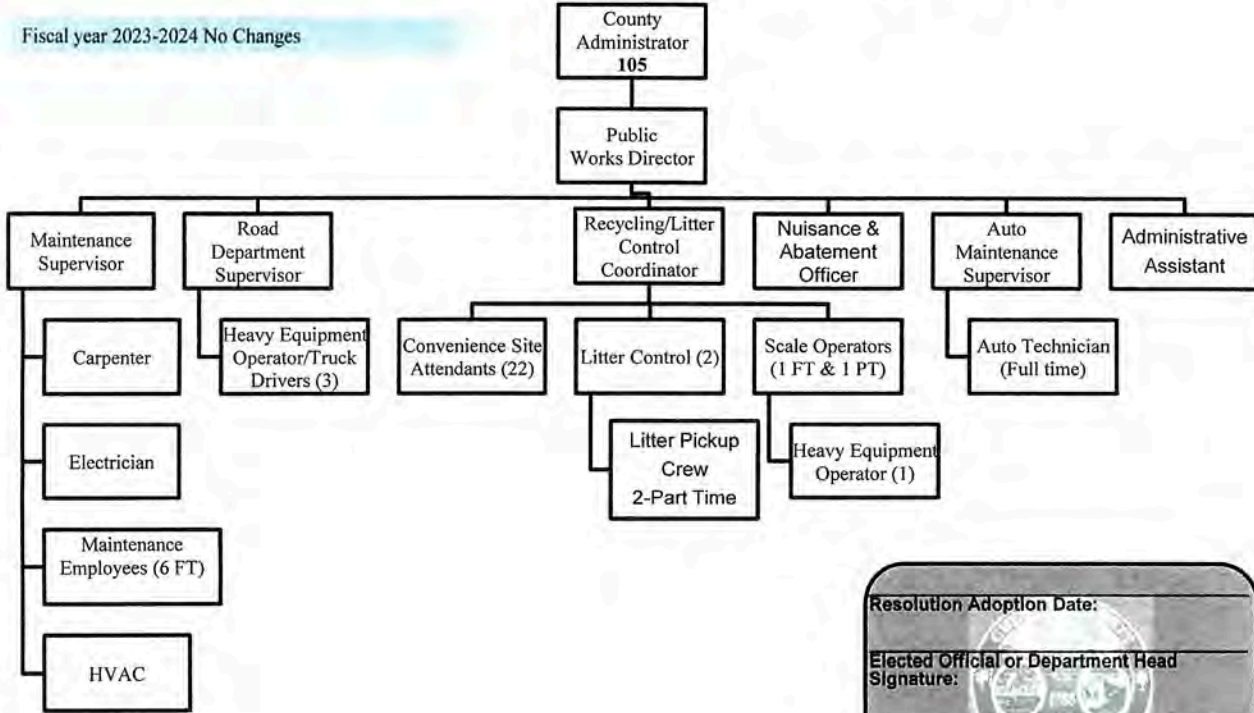
Fiscal year 2022-2023
- No Changes



10-17-2022 Resolution Adoption Date:
<i>[Signature]</i> Elected Official or Department Head Signature:
<i>[Signature]</i> Chester County Council Chairman & Supervisor:

PUBLIC WORKS – ORGANIZATIONAL CHART

Fiscal year 2023-2024 No Changes



Resolution Adoption Date:

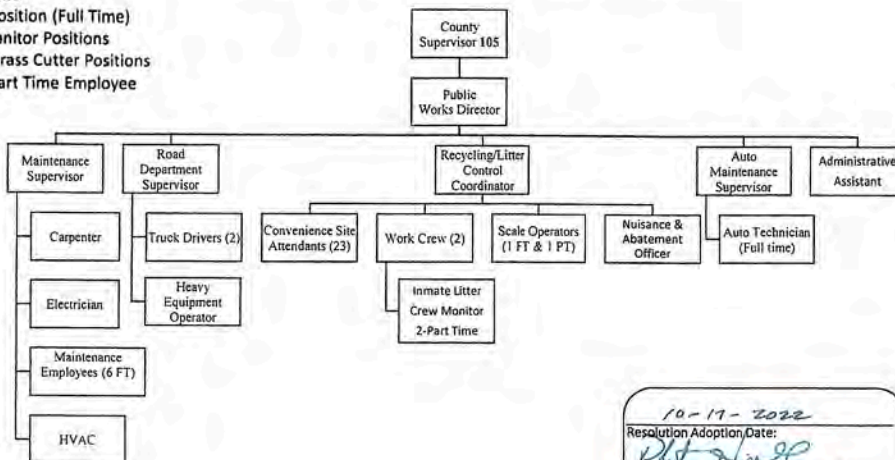
Elected Official or Department Head Signature:

Chester County Council Chairman & Supervisor:

PUBLIC WORKS – ORGANIZATIONAL CHART

Fiscal year 2022-2023

- Added HVAC Position (Full Time)
- Removed (2) Janitor Positions
- Removed (2) Grass Cutter Positions
- Removed (1) Part Time Employee



10-17-2022

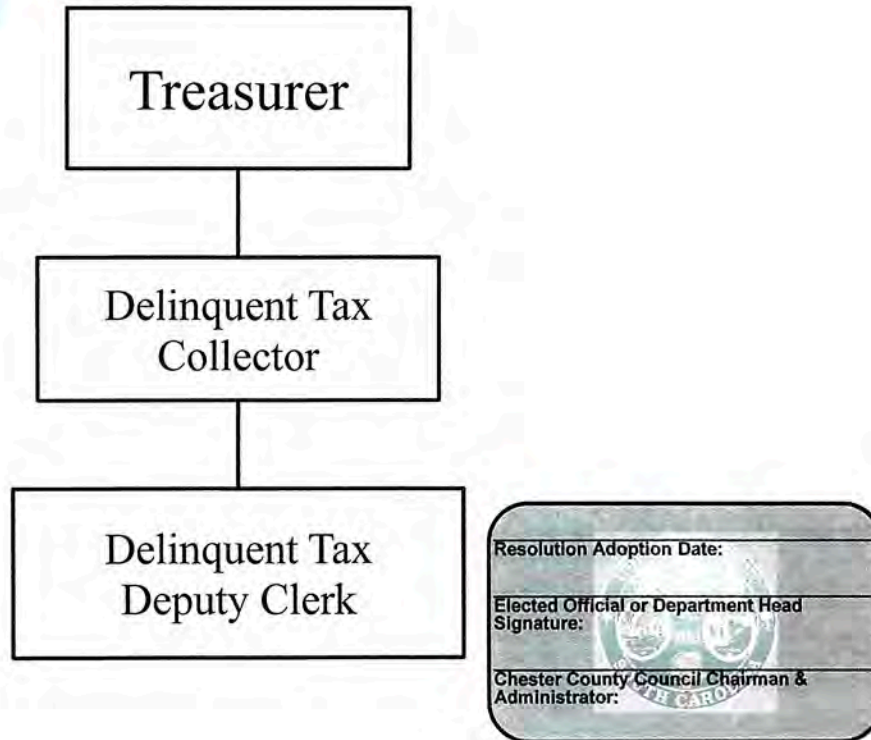
Resolution Adoption Date:

Elected Official or Department Head Signature:

Chester County Council Chairman & Supervisor:

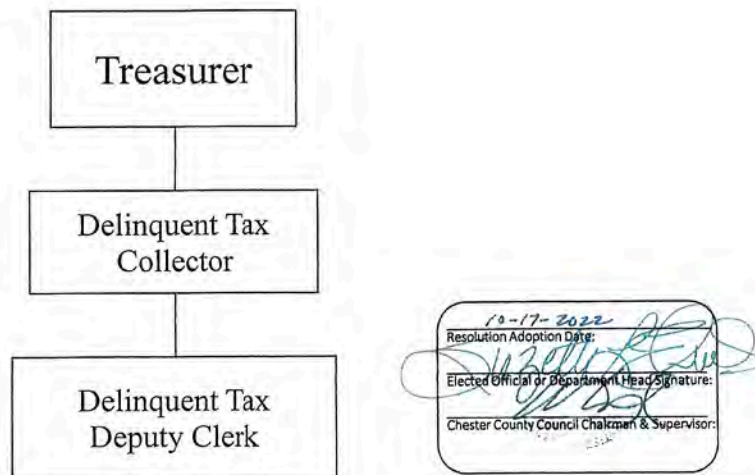
DELINQUENT TAX COLLECTOR – ORGANIZATIONAL CHART

Fiscal year 2023-2024
- No Changes



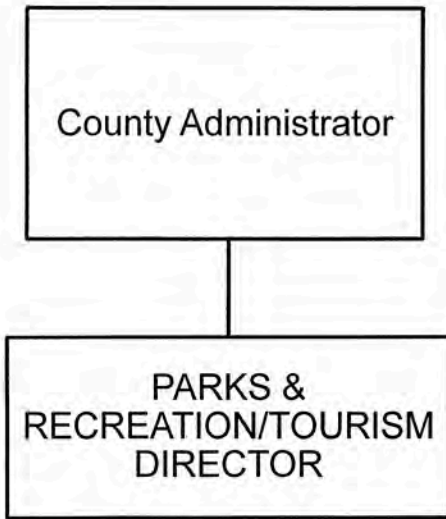
DELINQUENT TAX COLLECTOR – ORGANIZATIONAL CHART

Fiscal year 2022-2023
- No Changes



PARKS & RECREATION/TOURISM- ORGANIZATIONAL CHART

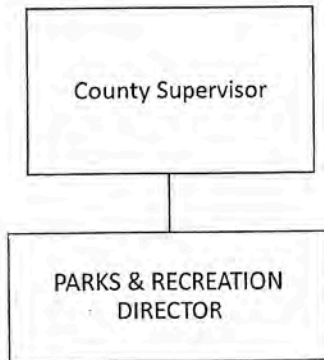
Fiscal year 2023-2024
- Added Tourism to title



Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Administrator:

PARKS & RECREATION- ORGANIZATIONAL CHART

Fiscal year 2022-2023
- No Change



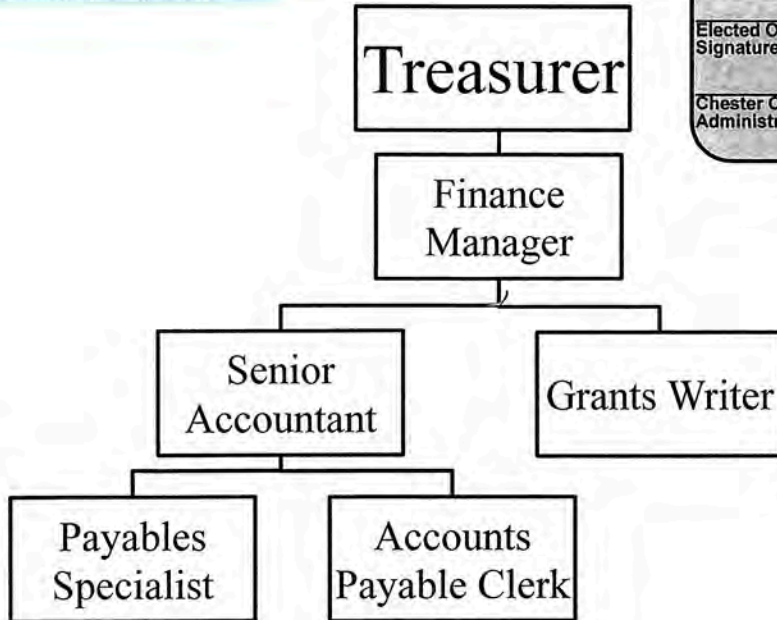
10-17-2022 Resolution Adoption Date:
Elected Official or Department Head Signature: <i>[Signature]</i>
Chester County Council Chairman & Supervisor:

FINANCE DEPARTMENT – ORGANIZATIONAL CHART

Fiscal year 2023-2024

- Title change from Accounts Payables Coordinator to Payables Specialist

Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Administrator:



FINANCE DEPARTMENT – ORGANIZATIONAL CHART

Fiscal year 2022-2023

- Restructured Chart
- Dissolved Payroll Clerk
- Added AP Coordinator

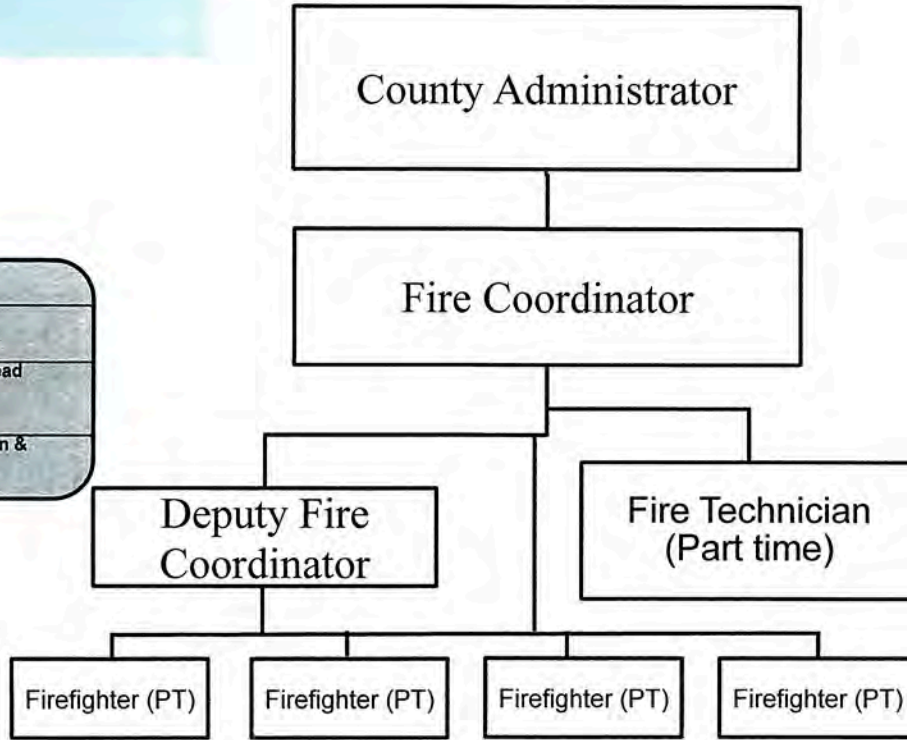
10-17-2022 Resolution Adoption Date:
<i>[Signature]</i> Elected Official or Department Head Signature:
<i>[Signature]</i> Chester County Council Chairman & Supervisor:



FIRE COORDINATOR – ORGANIZATIONAL CHART

Fiscal year 2023-2024
 - No Changes

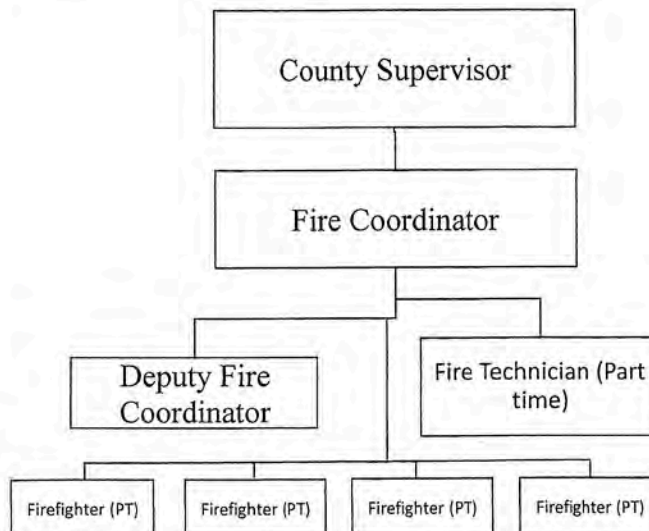
Resolution Adoption Date:
 Elected Official or Department Head Signature:
 Chester County Council Chairman & Administrator:



FIRE COORDINATOR – ORGANIZATIONAL CHART

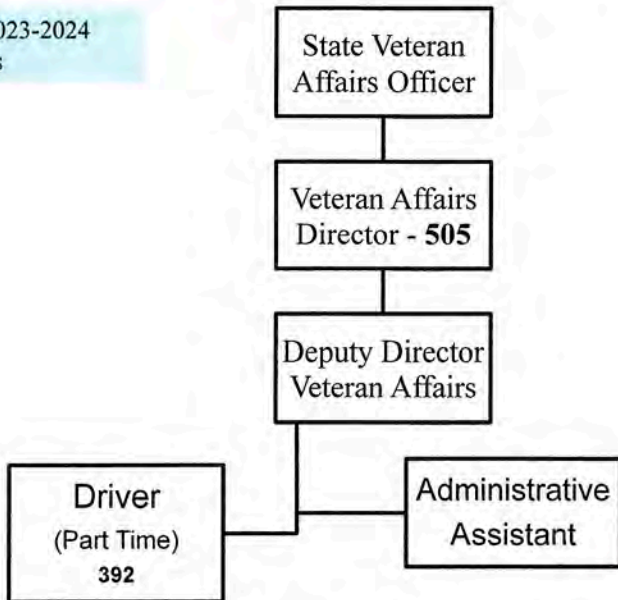
Fiscal year 2022-2023
 - Added (4) Part Time Firefighter Positions

10-17-2022
 Resolution Adoption Date:
 Elected Official or Department Head Signature:
 Chester County Council Chairman & Supervisor:



VETERAN AFFAIRS – ORGANIZATIONAL CHART

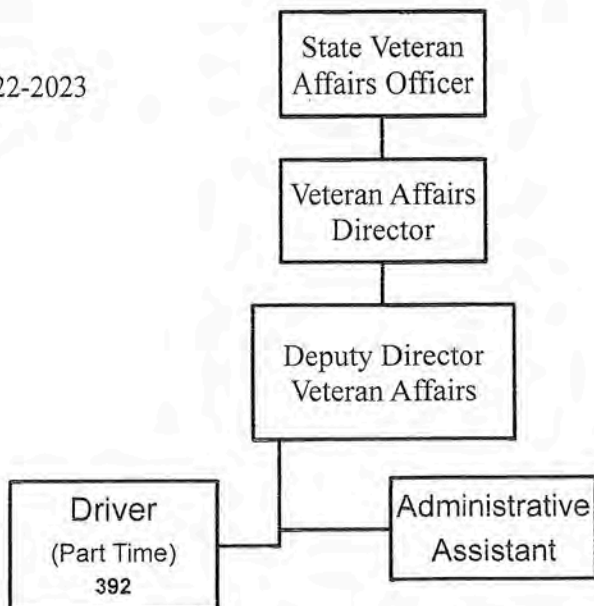
Fiscal year 2023-2024
- No Changes



Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Administrator:

VETERAN AFFAIRS – ORGANIZATIONAL CHART

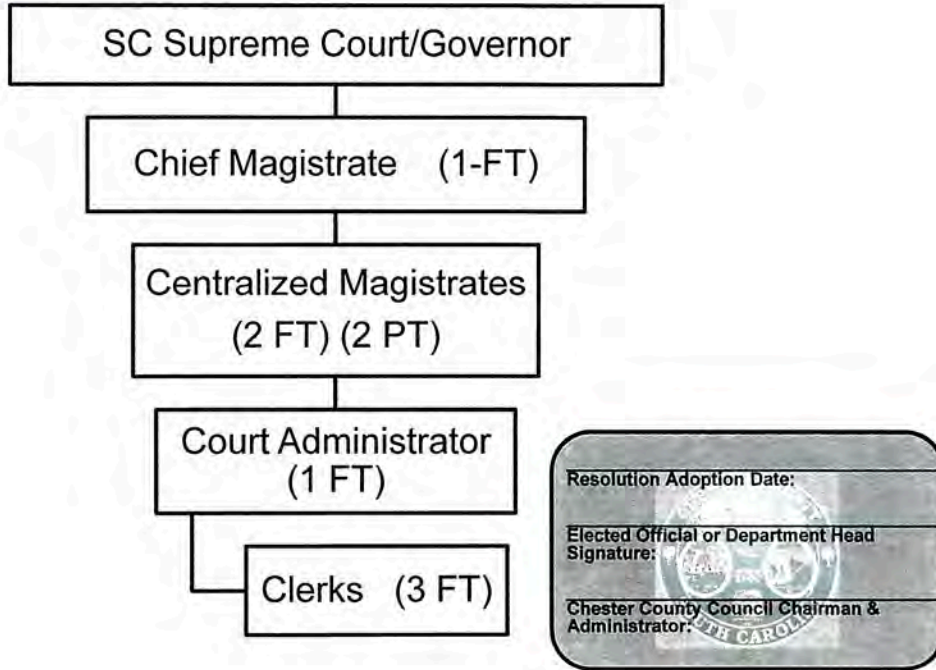
Fiscal year 2022-2023
- No Changes



10/17/2023 Resolution Adoption Date:
<i>[Signature]</i> Elected Official or Department Head Signature:
Chester County Council Chairman & Supervisor:

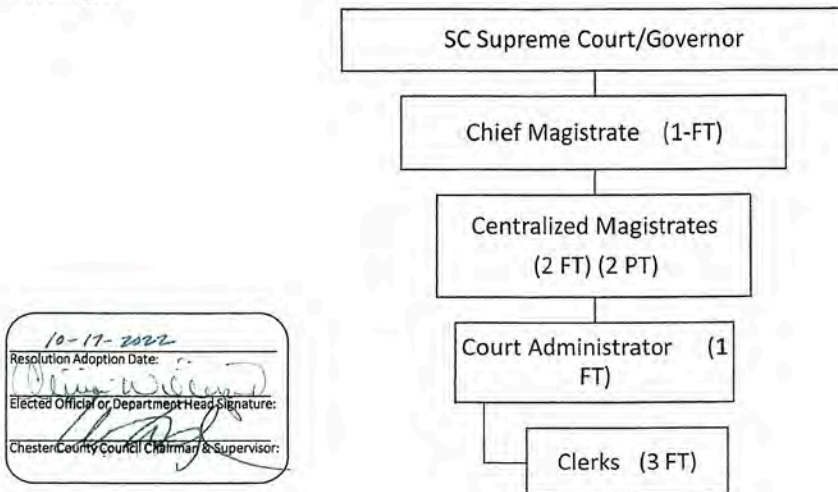
MAGISTRATES – ORGANIZATIONAL CHART

Fiscal year 2023-2024
- No Changes



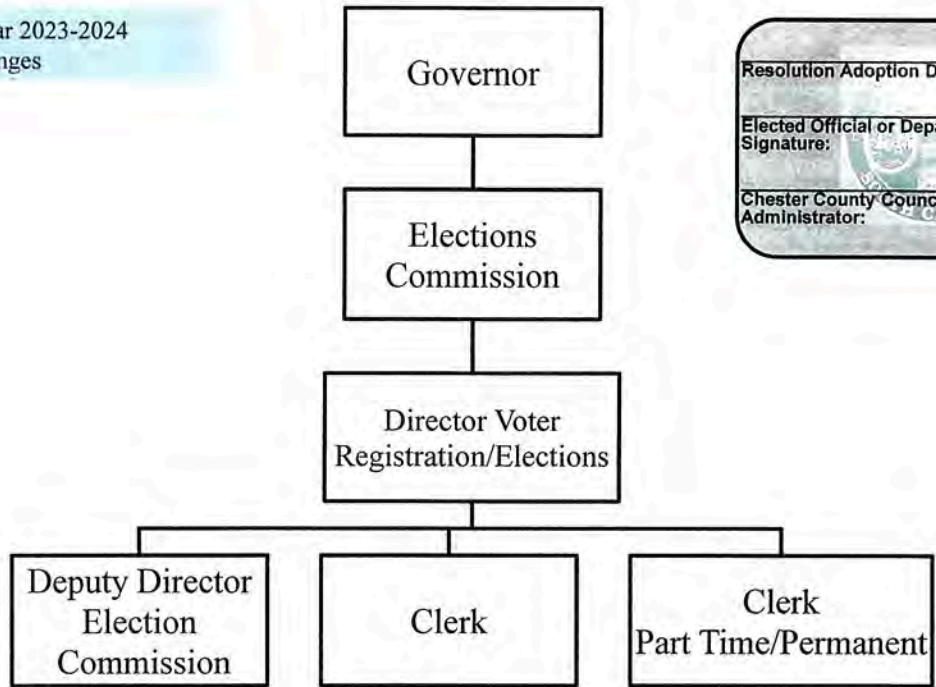
MAGISTRATES – ORGANIZATIONAL CHART

Fiscal year 2022-2023
- No Changes



VOTER REGISTRATION/ELECTION COMMISSION – ORGANIZATIONAL CHART

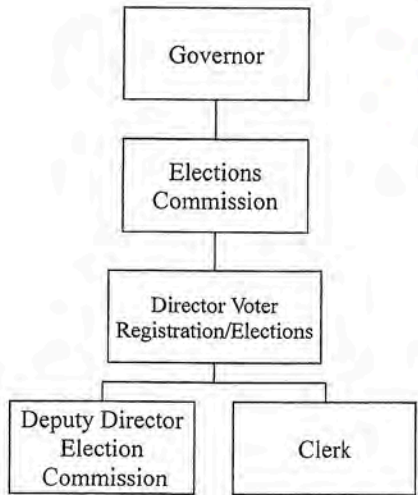
Fiscal year 2023-2024
- No Changes



Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Administrator:

VOTER REGISTRATION/ELECTION COMMISSION – ORGANIZATIONAL CHART

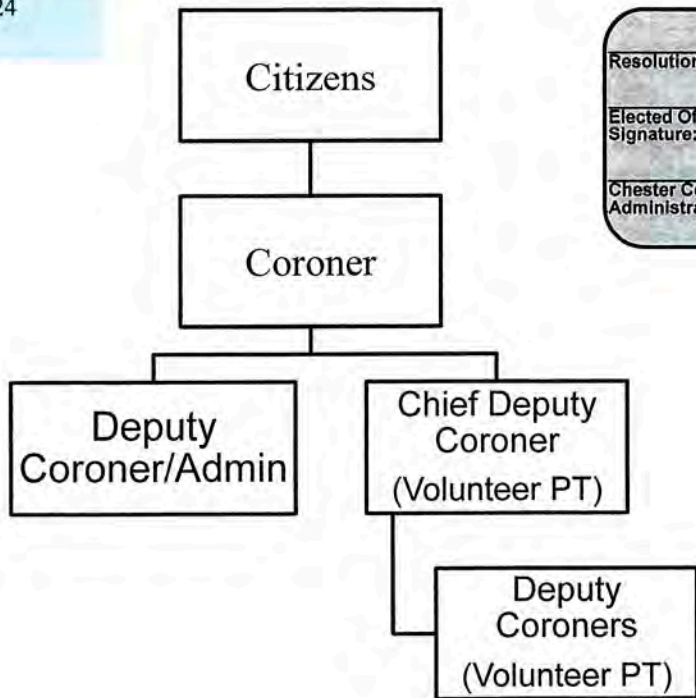
Fiscal year 2022-2023
- No Changes



10-17-2022
Resolution Adoption Date:
Karan Kruch
Elected Official or Department Head Signature:
Chester County Council Chairman & Supervisor:

CORONER – ORGANIZATIONAL CHART

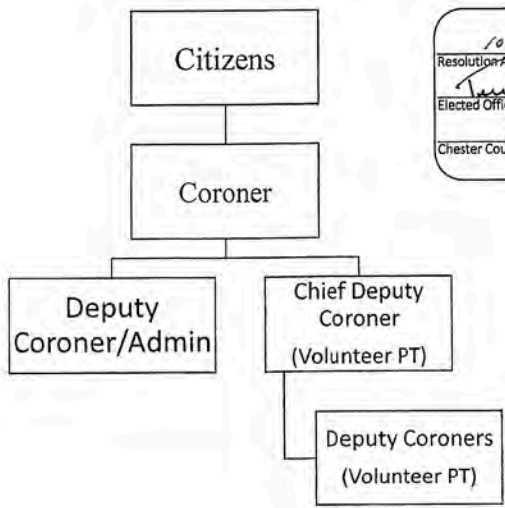
Fiscal year 2023-2024
- No Changes



Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Administrator:

CORONER – ORGANIZATIONAL CHART

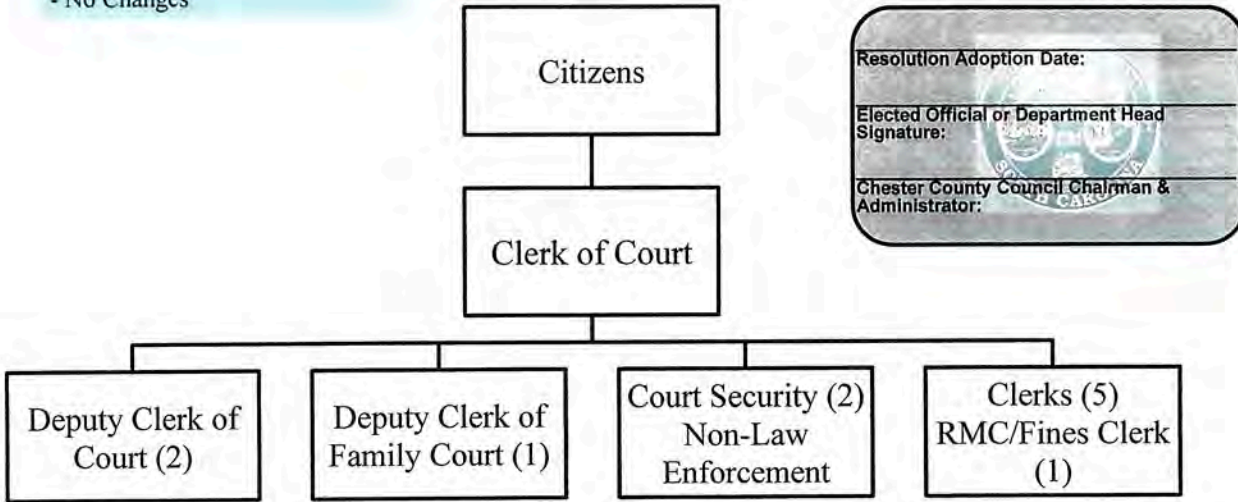
Fiscal year 2022-2023
- No Changes



10-17-2022
Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Supervisor:

CLERK OF COURT – ORGANIZATIONAL CHART

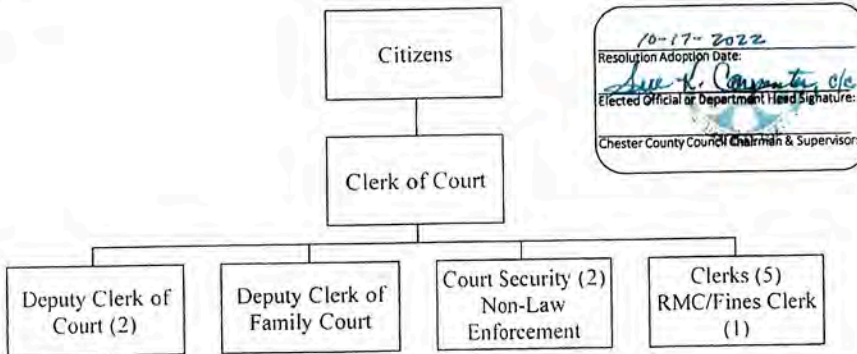
Fiscal year 2023-2024
- No Changes



*Actual number of Court Security are reflected on the Sheriff's Office ORG Chart

CLERK OF COURT – ORGANIZATIONAL CHART

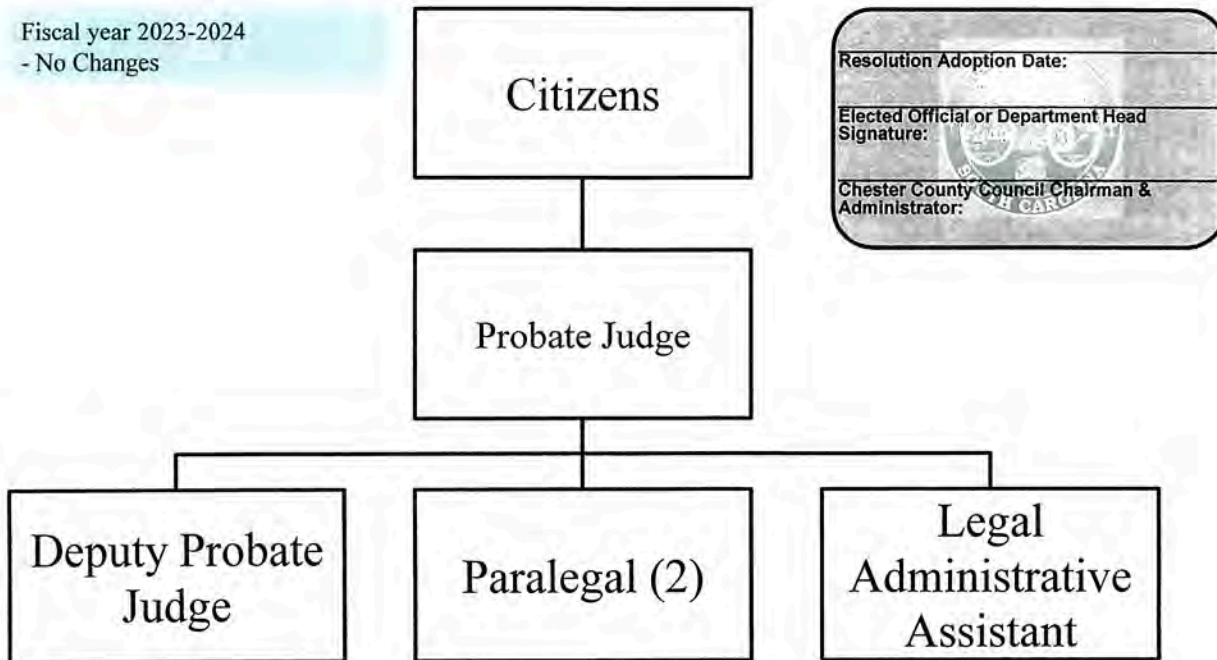
Fiscal year 2022-2023
- No Changes



*Actual number of Court Security are reflected on the Sheriff's Office ORG Chart

PROBATE COURT – ORGANIZATIONAL CHART

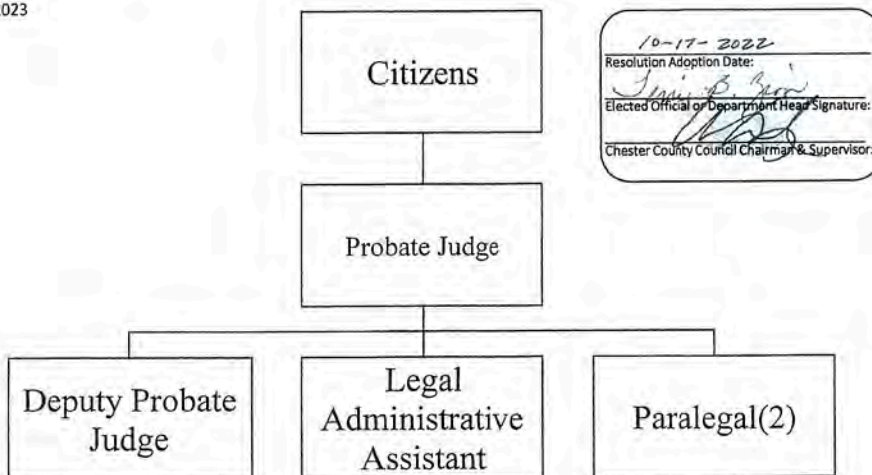
Fiscal year 2023-2024
- No Changes



Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Administrator:

PROBATE COURT – ORGANIZATIONAL CHART

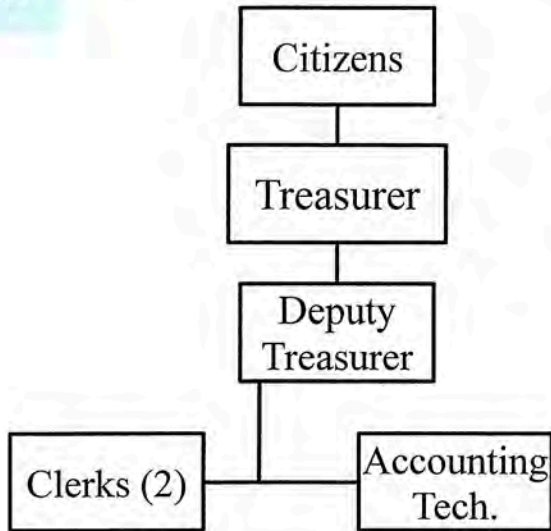
Fiscal year 2022-2023
- No Changes



10-17-2022
Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Supervisor:

TREASURER – ORGANIZATIONAL CHART

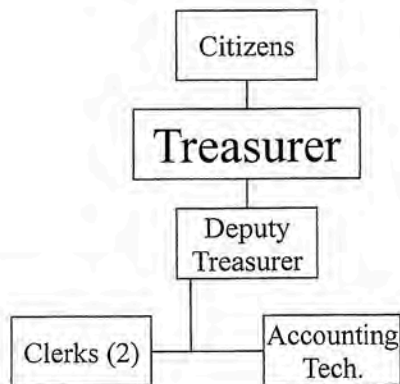
Fiscal year 2023-2024
- No Changes



Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Administrator:

TREASURER – ORGANIZATION CHART

Fiscal year 2022-2023
- No Changes



10-17-2022 Resolution Adoption Date:
<i>[Signature]</i> Elected Official or Department Head Signature:
<i>[Signature]</i> Chester County Council Chairman & Supervisor:

AUDITORS OFFICE – ORGANIZATIONAL CHART

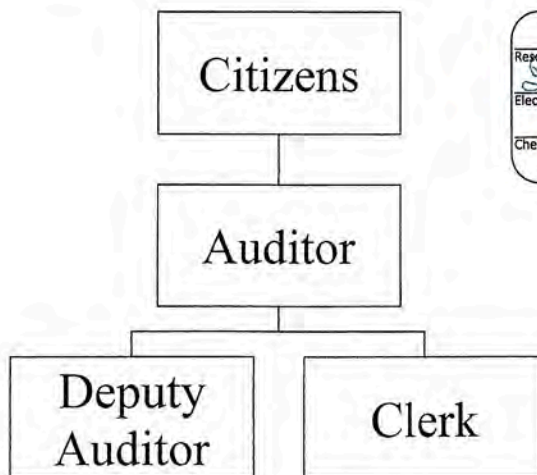
Fiscal year 2023-2024
- No Changes



Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Administrator:

AUDITORS OFFICE – ORGANIZATIONAL CHART

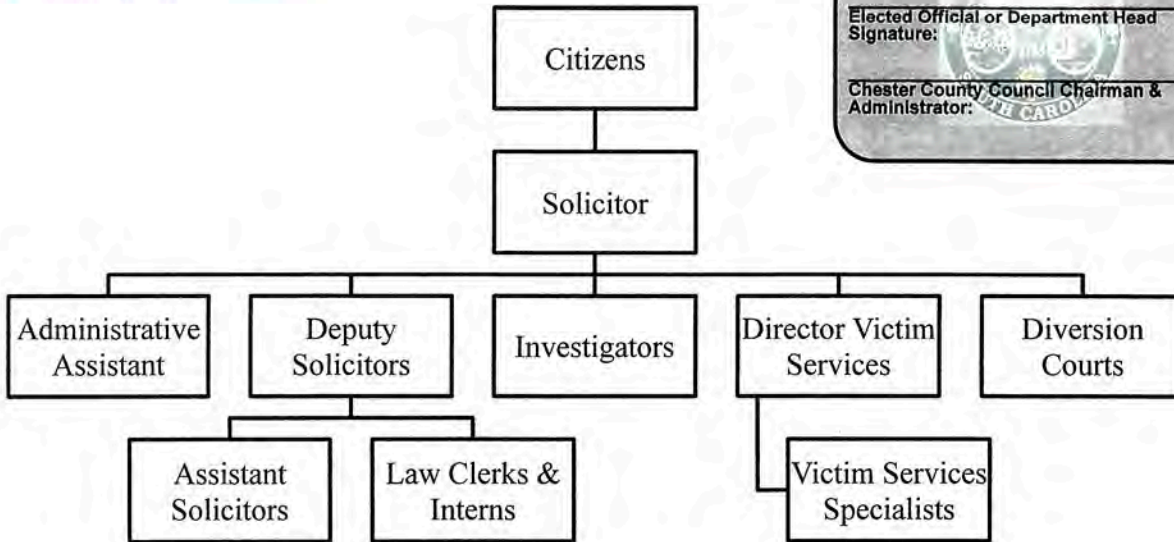
Fiscal year 2022-2023
- No Changes



10-17-2022
Resolution Adoption Date:
Donald A. Woods
Elected Official or Department Head Signature:
W. J. [Signature]
Chester County Council Chairman & Supervisor:

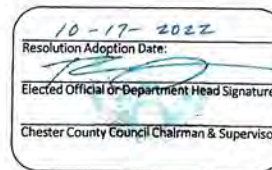
SOLICITOR – ORGANIZATIONAL CHART

Fiscal year 2023-2024
- Chart Updated



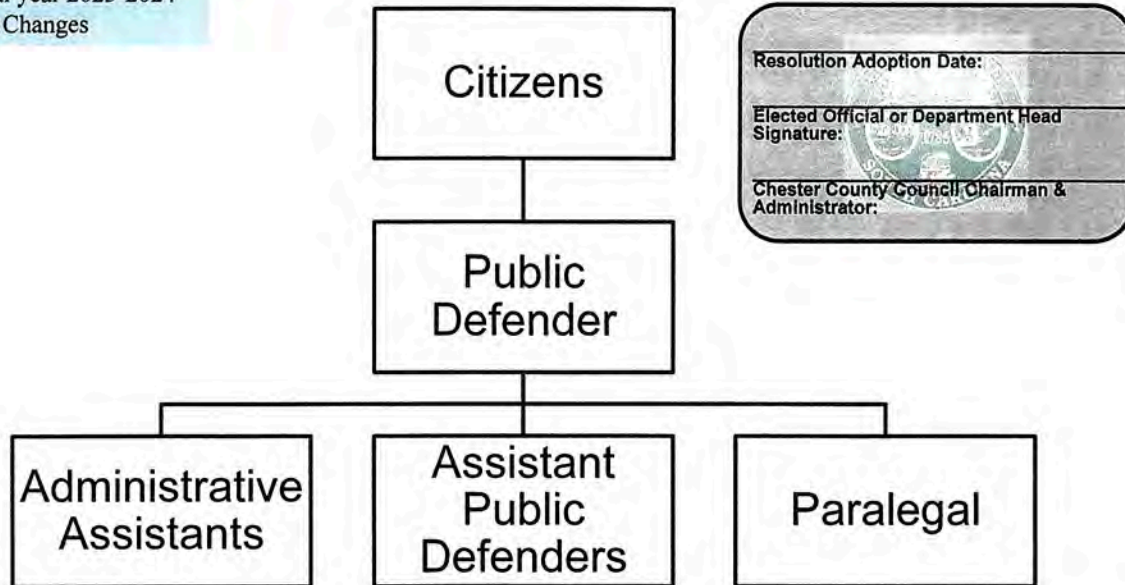
SOLICITOR – ORGANIZATIONAL CHART

Fiscal year 2022-2023
No Changes



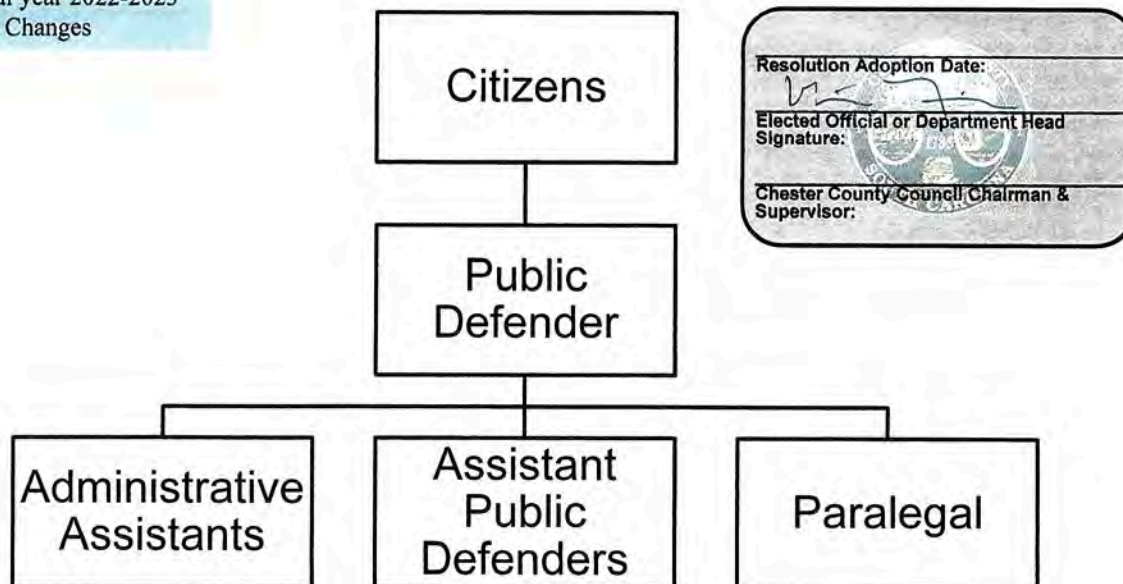
PUBLIC DEFENDER – ORGANIZATIONAL CHART

Fiscal year 2023-2024
- No Changes



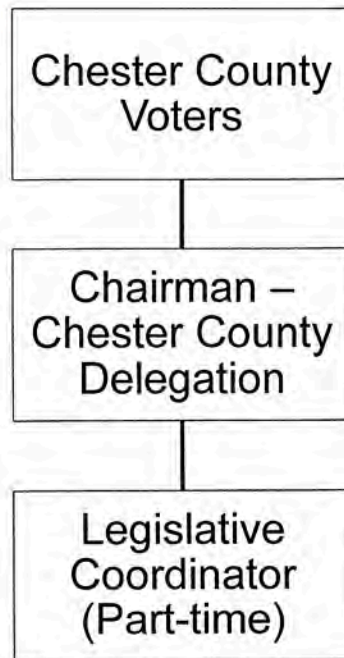
PUBLIC DEFENDER – ORGANIZATIONAL CHART

Fiscal year 2022-2023
- No Changes



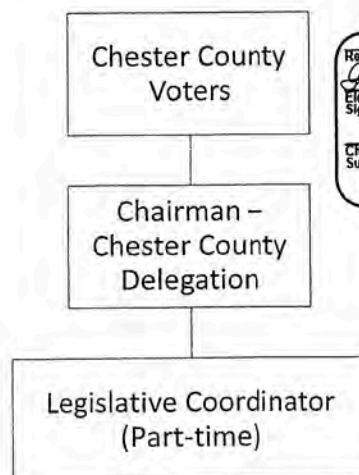
CHESTER COUNTY DELEGATION – ORGANIZATIONAL CHART

Fiscal year 2023-2024
No Changes



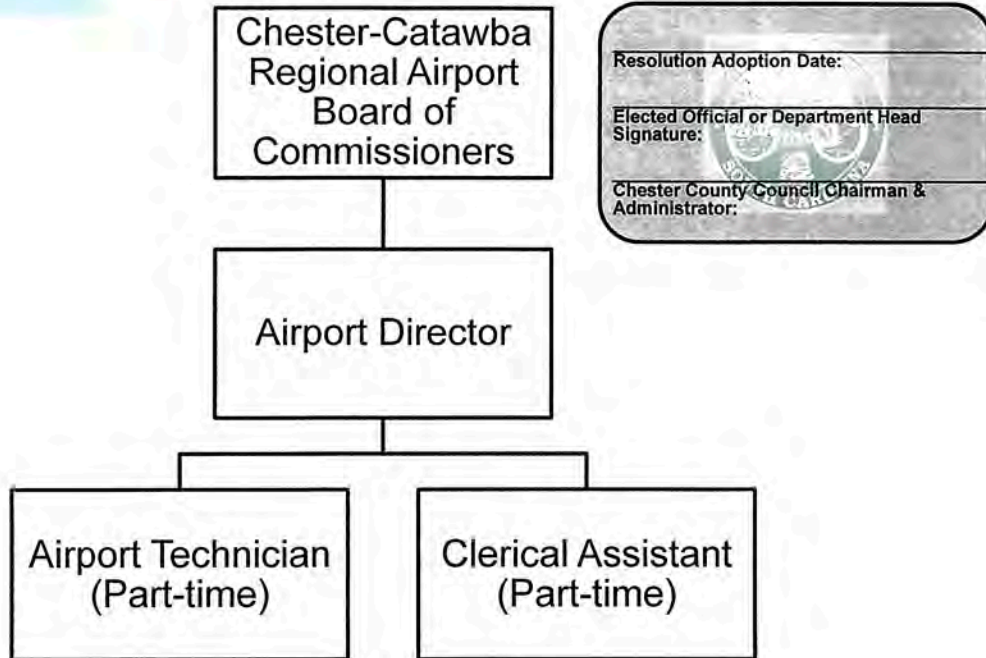
CHESTER COUNTY DELEGATION – ORGANIZATIONAL CHART

Fiscal year 2022-2023
No Changes



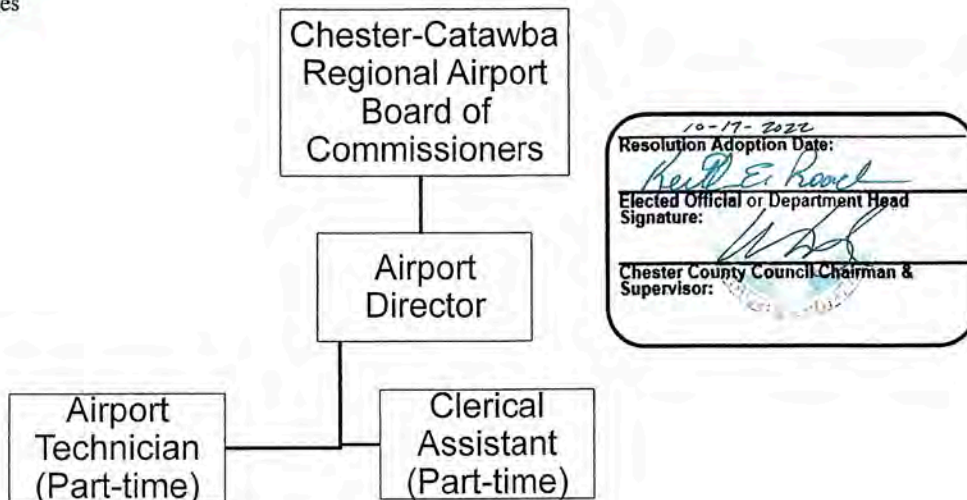
CHESTER COUNTY AIRPORT – ORGANIZATIONAL CHART

Fiscal year 2023-2024
No Changes



CHESTER COUNTY AIRPORT – ORGANIZATIONAL CHART

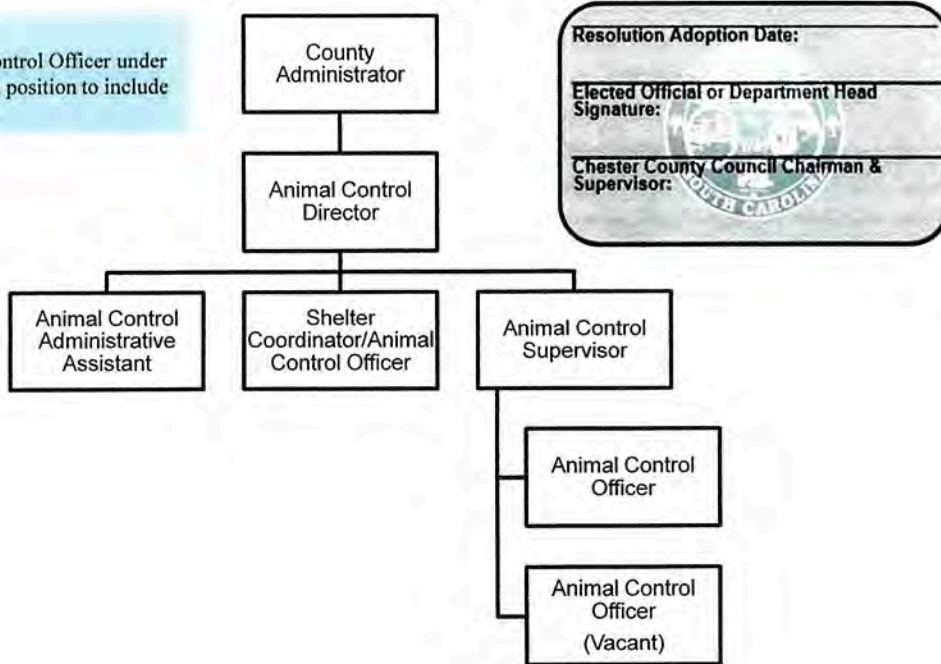
Fiscal year 2022-2023
No Changes



Chester County Animal Control – Organizational Chart

Fiscal year 2023-2024

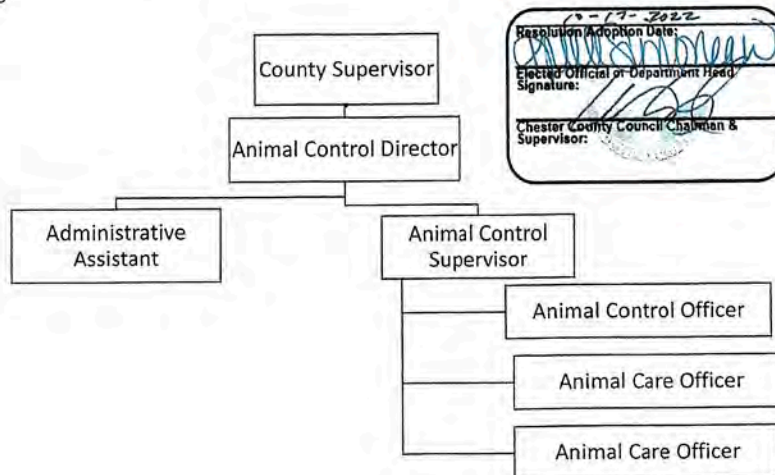
- Moved one Animal Control Officer under the Director and revised position to include Shelter Coordinator.



Animal Control – Organizational Chart

Fiscal year 2022-2023

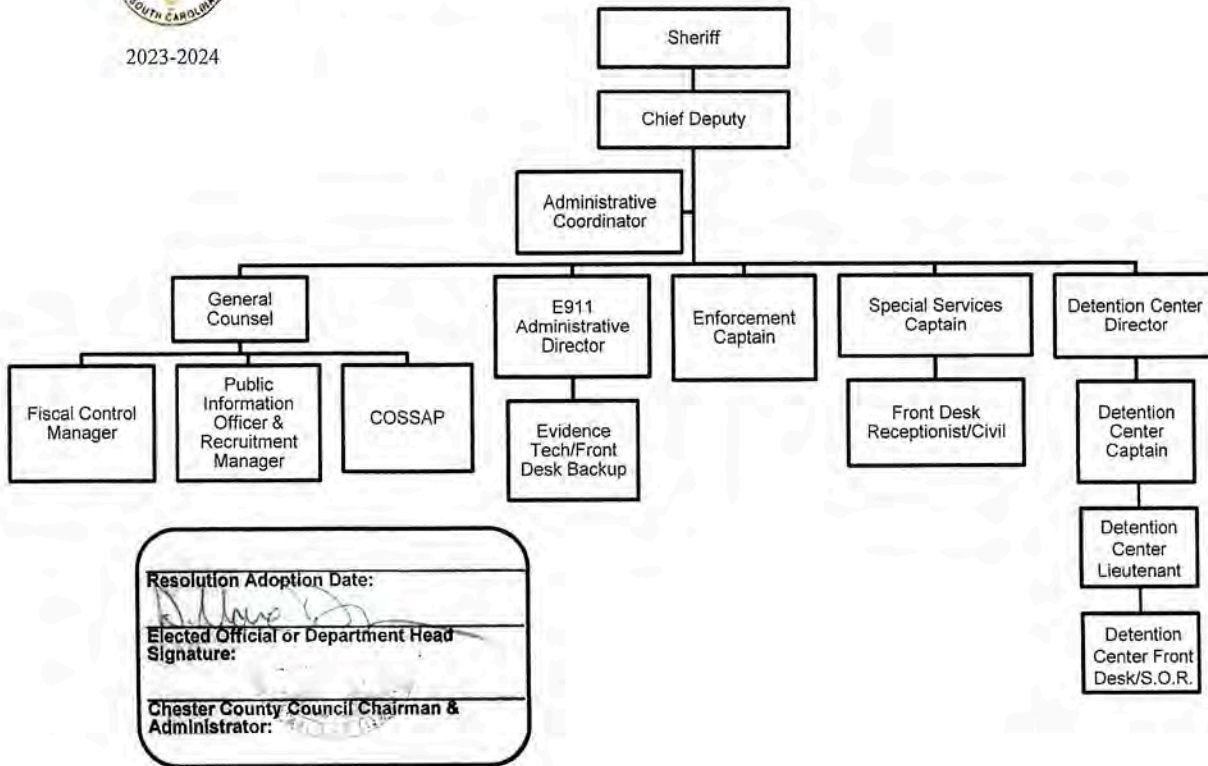
- No Changes



SHERIFF'S OFFICE – ORGANIZATIONAL CHART ADMINISTRATIVE SUPPORT



2023-2024



Resolution Adoption Date: _____

Elected Official or Department Head Signature: _____

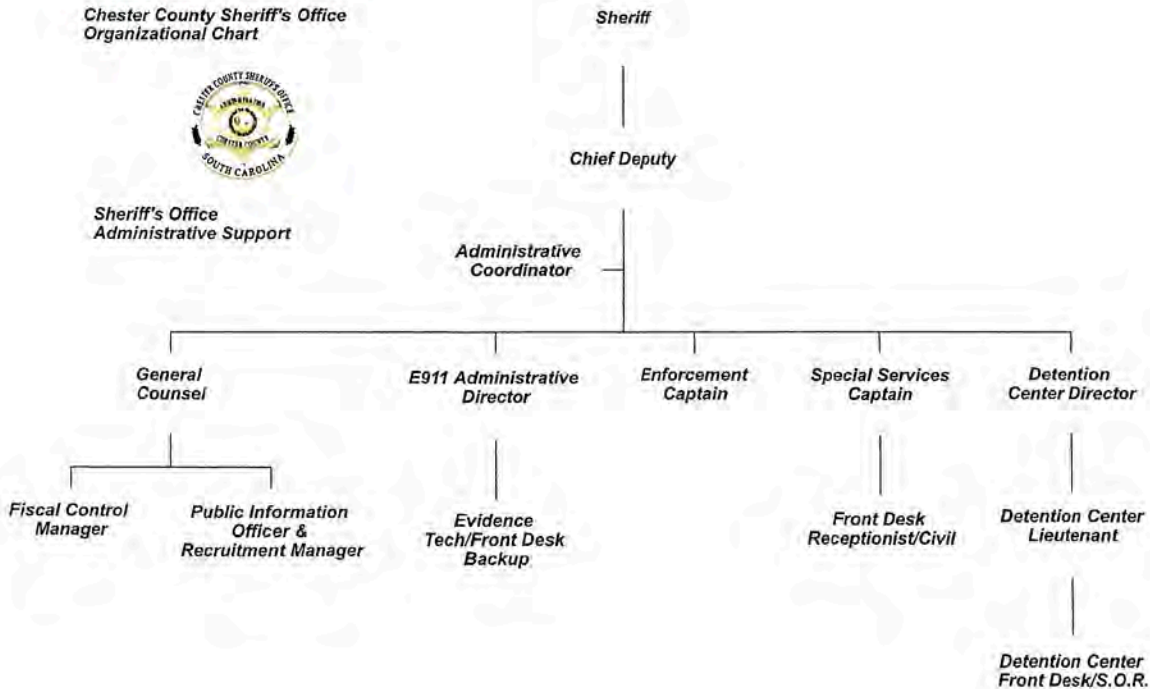
Chester County Council Chairman & Administrator: _____

D. Lane Doney
October 17, 2022

Chester County Sheriff's Office
Organizational Chart



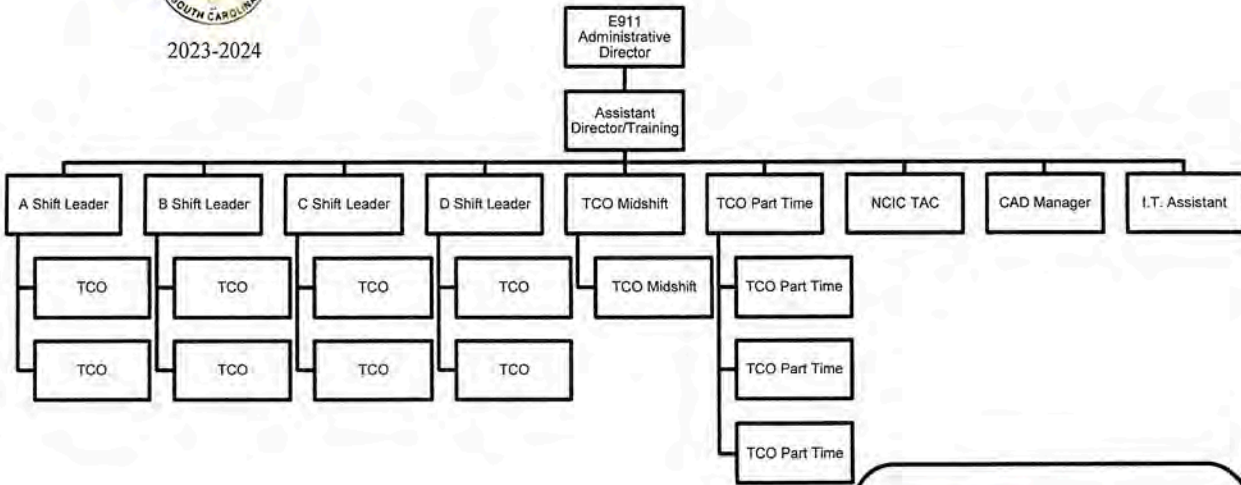
Sheriff's Office
Administrative Support



SHERIFF'S OFFICE – ORGANIZATIONAL CHART E911 DIVISION



2023-2024



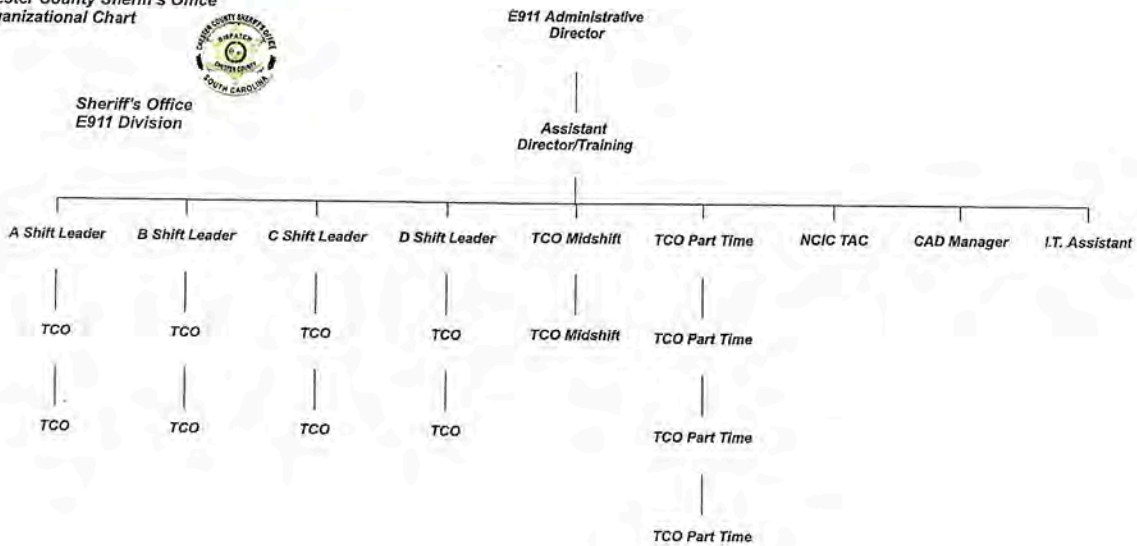
Resolution Adoption Date: _____
 Elected Official or Department Head Signature: _____
 Chester County Council Chairman & Administrator: _____

D. Mark Dorsey, Jr.
 October 17, 2022

Chester County Sheriff's Office
 Organizational Chart



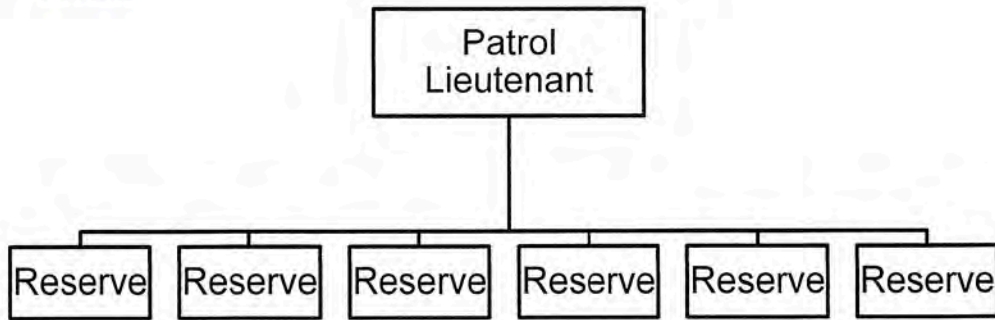
Sheriff's Office
 E911 Division



SHERIFF'S OFFICE – ORGANIZATIONAL CHART RESERVES (NON-SALARIED)



2023-2024



Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Administrator:

Chester County Sheriff's Office
Organizational Chart



Sheriff's Office
Reserves
(Non-Salaried)

D. Mark Derry Jr.
October 17, 2022

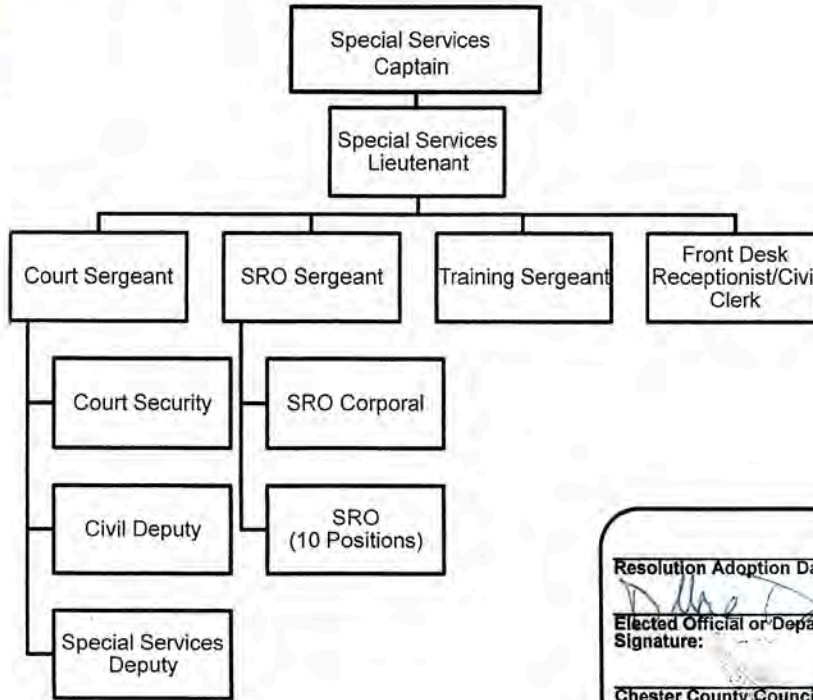
Patrol Lieutenant



SHERIFF'S OFFICE – ORGANIZATIONAL CHART SPECIAL SERVICES DIVISION



2023-2024

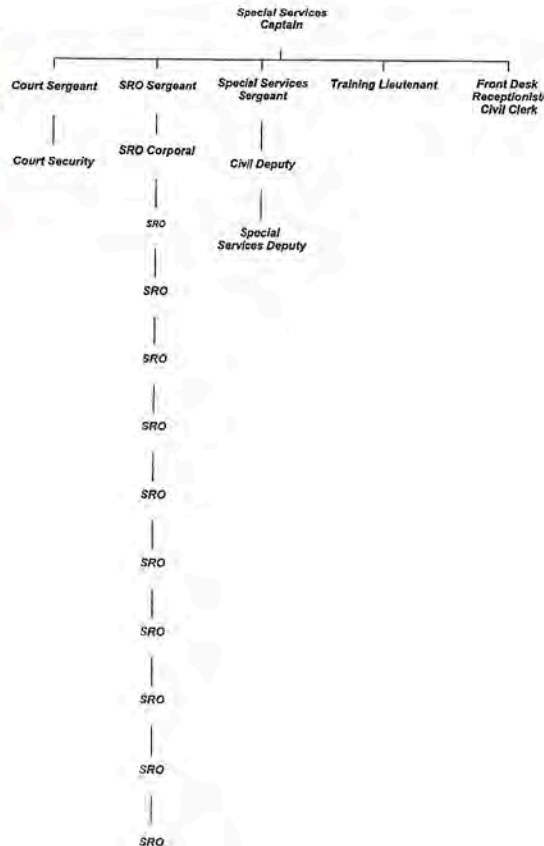


Resolution Adoption Date:
Elected Official or Department Head Signature:
Chester County Council Chairman & Administrator:

Chester County Sheriff's Office
Organizational Chart

Sheriff's Office Operations Division
Special Services Department

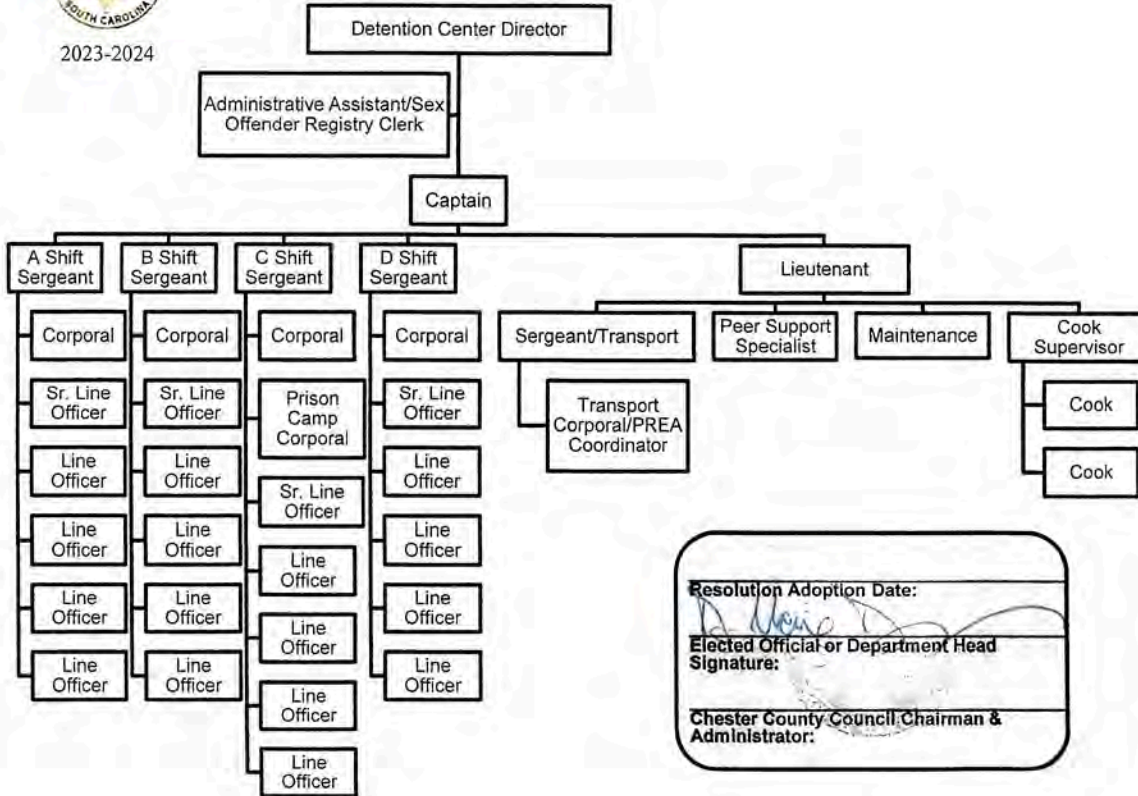
D. Wayne Dersoy ES
October 17, 2012



SHERIFF'S OFFICE – ORGANIZATIONAL CHART DETENTION CENTER



2023-2024



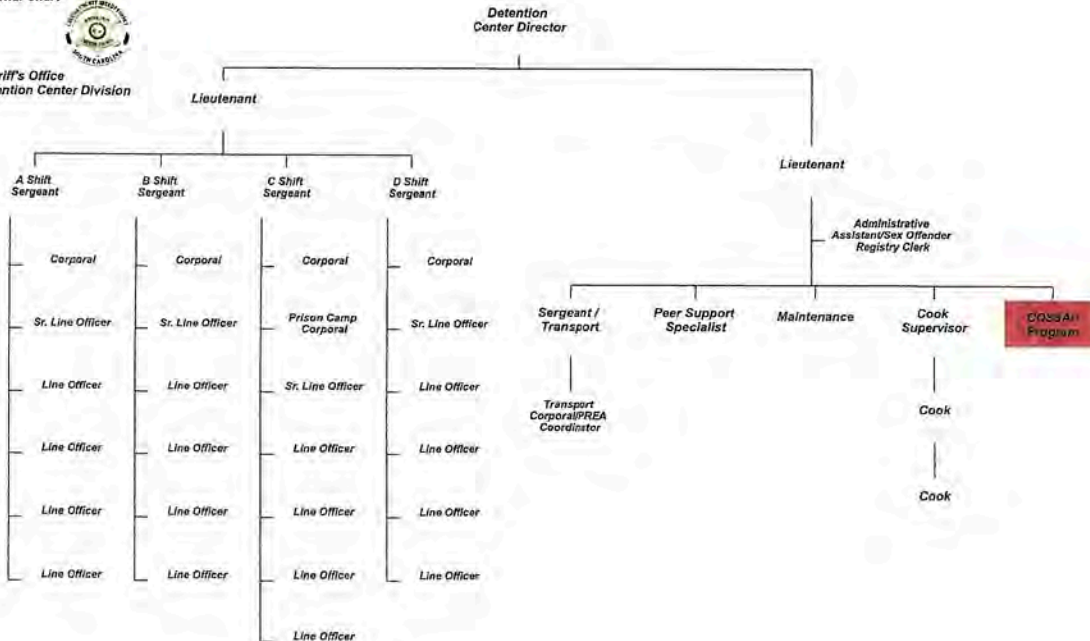
Resolution Adoption Date:
[Signature]
 Elected Official or Department Head Signature:
 Chester County Council Chairman & Administrator:

D. Wayne Dorse II
 October 17, 2022

Chester County Sheriff's Office
 Organizational Chart



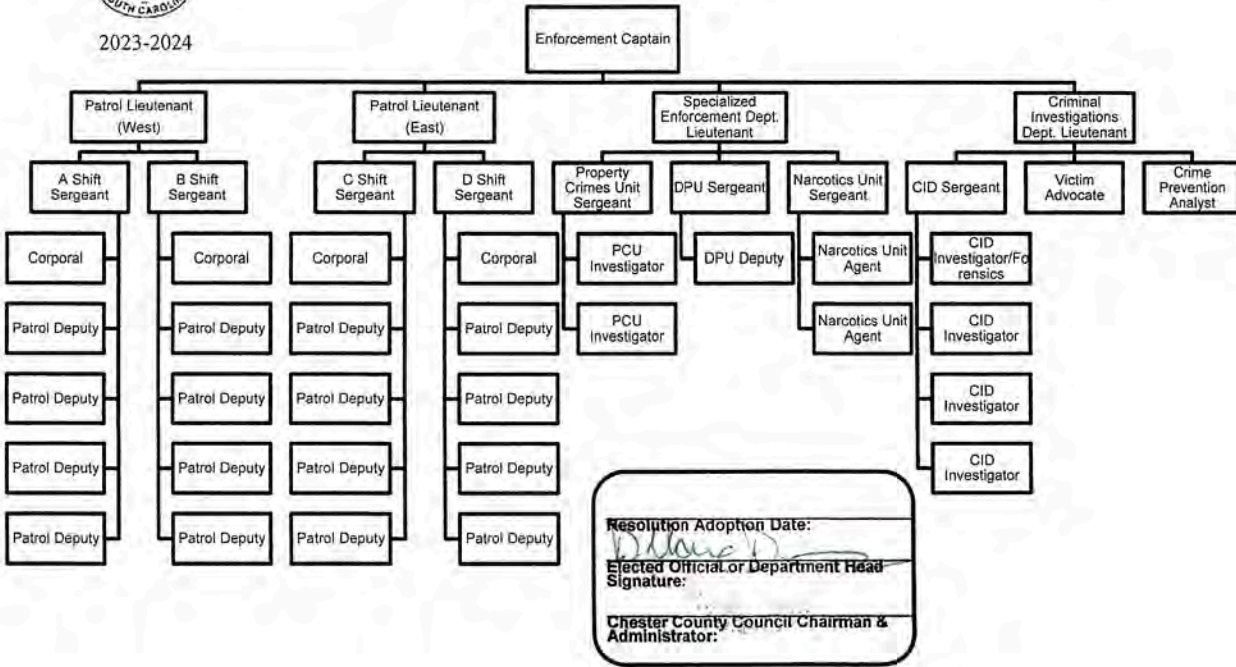
Sheriff's Office
 Detention Center Division



SHERIFF'S OFFICE – ORGANIZATIONAL CHART ENFORCEMENT DIVISION PATROL/SED/CID



2023-2024



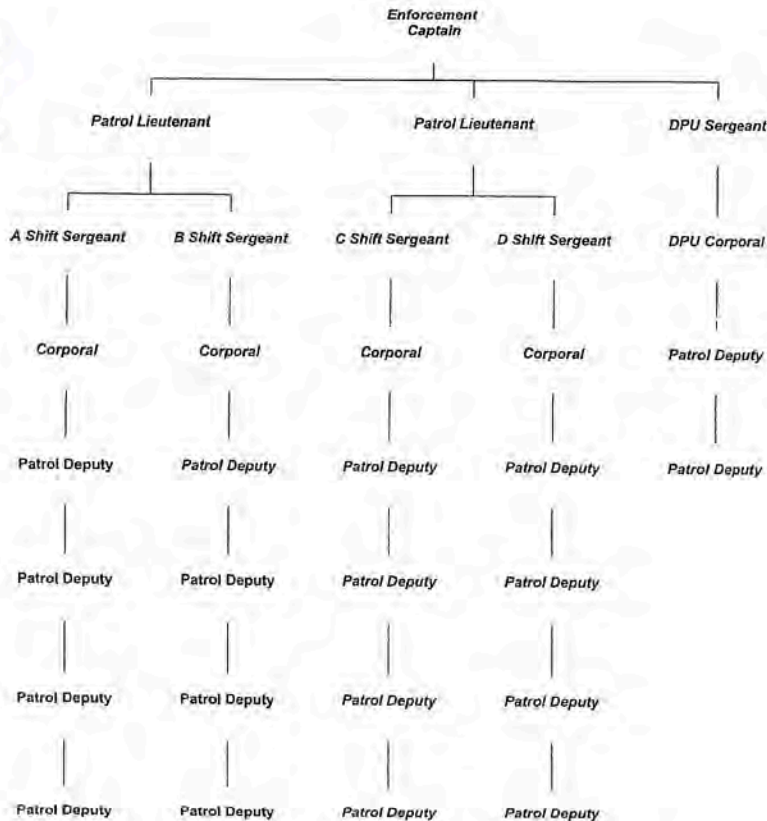
PATROL

Chester County Sheriff's Office
Organizational Chart



Sheriff's Office Operations Division
Patrol Department

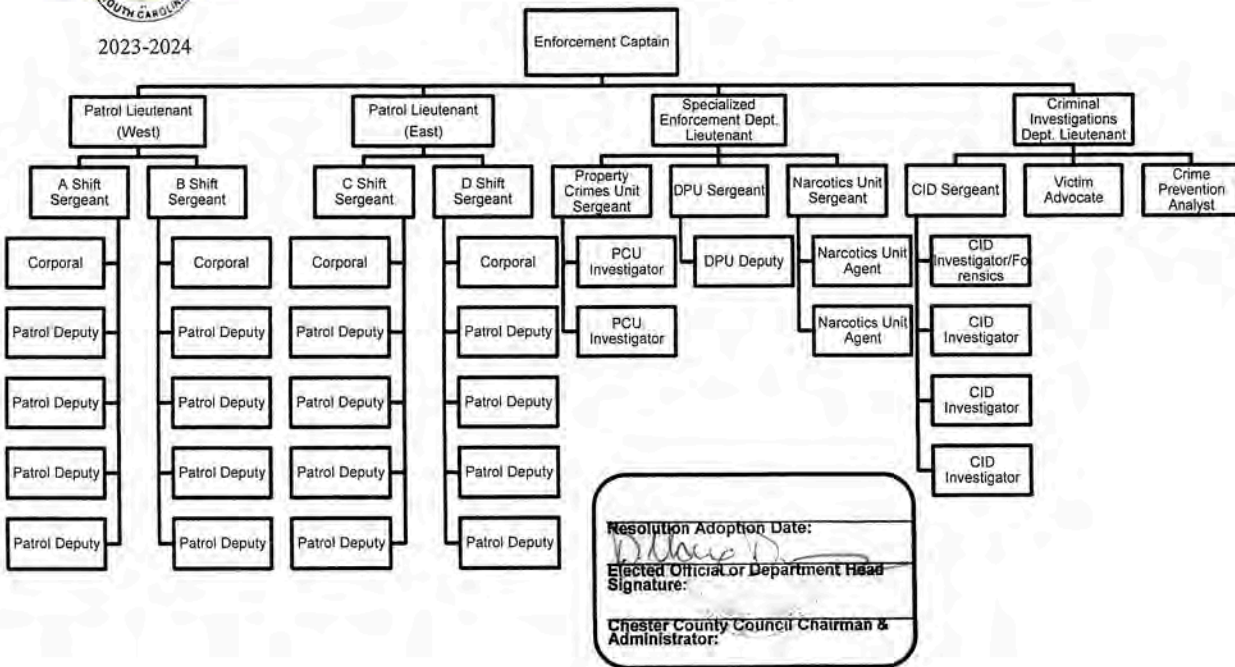
D. Wayne Dyer, Esq.
October 17, 2022



SHERIFF'S OFFICE – ORGANIZATIONAL CHART ENFORCEMENT DIVISION PATROL/SED/CID



2023-2024



Resolution Adoption Date: _____
 Elected Official or Department Head Signature: _____
 Chester County Council Chairman & Administrator: _____

NARCOTICS

Chester County Sheriff's Office Organizational Chart

D. Mark Dersey II
 October 17, 2022



Sheriff's Office Operations Division Narcotics Department

Enforcement Captain

Narcotics Sergeant

Narcotics Corporal

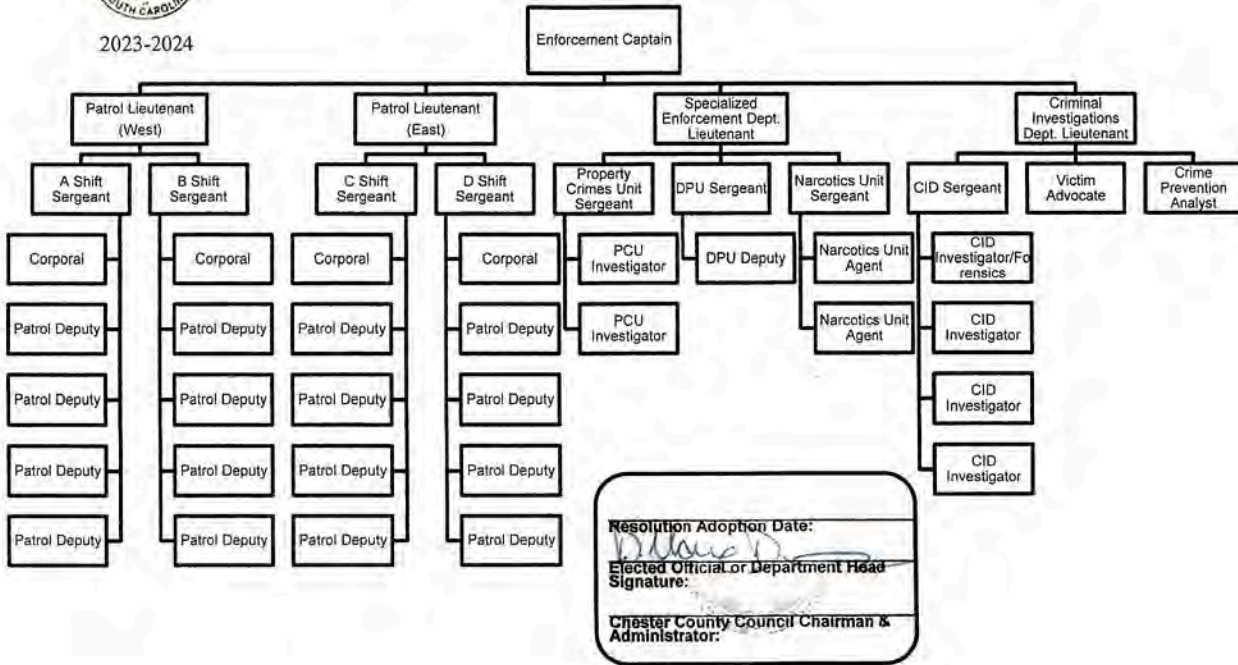
Narcotics Agent

Narcotics Agent

SHERIFF'S OFFICE – ORGANIZATIONAL CHART ENFORCEMENT DIVISION PATROL/SED/CID



2023-2024



Resolution Adoption Date:
[Signature]
 Elected Official or Department Head
 Signature:
 Chester County Council Chairman &
 Administrator:

D. Mark Dorsey II
 October 17, 2022
 Chester County Sheriff's Office
 Organizational Chart

INVESTIGATIONS

Sheriff's Office Operations Division
 Investigations Department



Enacted and approved this 26th day of June, 2023.

CHESTER COUNTY, SOUTH CAROLINA

By: _____
Joseph R. Branham, Chester County Council Chairman

Attest:

By: _____
Karen Lee
Clerk to County Council
Chester County, South Carolina

Enacted and approved this ____ day of _____, 2023.

CHESTER COUNTY, SOUTH CAROLINA

By: _____

Joseph R. Branham
Chair, Chester County Council

Attest:

By: _____

Karen Lee
Clerk to County Council
Chester County, South Carolina

First Reading: June 26, 2023

Second Reading: _____, 2023

Public Hearing: _____, 2023

Third Reading: _____, 2023



Commented [SC1]: Update County Seal - It is fuzzy when printed.

CHESTER COUNTY PURCHASING AND CONTRACTING POLICIES AND PROCEDURES MANUAL

Commented [KD2]: 'Adopted on' date

Adopted on July __, 2023

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Introduction

The Chester County Purchasing and Contracting Policies and Procedures Manual is adopted pursuant to the Chester County Procurement Ordinance (§26-136, et seq.) and pursuant to S.C. Code §11-35-50 and may be referred to as the "County Procurement Code." The Procurement Code shall be implemented by the ~~County Supervisor~~ County Administrator who is authorized to issue regulations consistent with this Code. (S.C. Code ~~§4-9-160~~, §11-35-50). The Procurement Code was developed to provide fair and equitable treatment of all persons involved in public purchasing by the County, to maximize the purchasing value of public funds in procure, and to provide safeguards for maintaining a procurement system of quality and integrity.

Commented [SC3]: County Administrator - Throughout Document

Commented [KD4]: S.C. Code §4-9-160

It is the goal of Chester County to fairly, equally and impartially administer its procurement program based on the guidelines set forth in this Manual. The County does not discriminate against any vendor based on race, color, religion, national origin, sex, age, disability, or veteran status in any area of the procurement process.

Any interpretation of the procedures outlined in this manual is the responsibility of the Procurement Director, subject to the guidance and supervision of the ~~County Supervisor~~ County Administrator and the County Attorney.

This Manual supersedes and replaces all previously developed procurement policies adopted by the County whether by resolution or ordinance, and will continue to be subject to periodic revision subject to the final approval of the County Council. The Manual is a fluid document and may be amended from time to time by County Council.

I. GENERAL

A. Applicability

This Procurement Policy and Procedure Manual applies to contracts for the procurement of supplies, services, and construction needed by the County. It shall apply to every expenditure of public funds irrespective of their financial sources, unless specifically exempted by County ordinance or State or Federal law. Nothing in this Manual shall prevent any County department or agency from complying with the terms and conditions of any grant, gift, or request which is otherwise consistent with existing County ordinances or State or Federal laws. When the procurement involves the expenditure of federal assistance or contract funds, the procurement shall be conducted in accordance with any mandatory applicable federal law and regulation.

B. Objective

The overall goal is to maintain a continuous supply of goods and services in support of Chester County. Purchasing seeks to identify and acquire supplies in a timely fashion at the lowest cost consistent with the desired quality and being environmentally friendly for both the short and long-term interests of the County.

C. Contract Authority

Any Purchase Orders, contracts or agreements with a minimum total cost of ~~Twenty One Hundred~~ Thousand Dollars and ~~No One~~ Cents (~~\$20,000.00~~\$100,000.01) or more must be procured through the sealed bidding process and shall be submitted to County Council for their approval. Such purchases must be documented with sealed written quotations from no less than three (3) qualified sources of supply of supply (unless approved by County Council or exempted by policy herein) and a certification approval by the Procurement Director and the County Supervisor County Administrator that the procurement is to the advantage of the County and that there have been enough funds budgeted for the purchase. The County does reserve the right to limit or "short-list" bidders for such procurements, as is in the best interest of the County. Local Preference Stipulation: This permits the lowest local (Chester County or its municipalities) Bidder whose bid is within seven percent (7%) of the lowest non-local Bidder to be awarded the project with the approval of County Council.

Exceptions: The purchase of commercially available off-the-shelf (in stock) vehicles with upfit packages as well as equipment in the amount of One Hundred Thousand Dollars and No Cents (\$100,000.00) and less can be purchased without additional quotes or without the

Commented [SC5]: Purchases of \$500.00 or less where normal purchasing processes are not practical: Department Directors and Elected Officials may make purchases from approved vendors but must get a purchase order within 2 business days after making the purchase.

For purchases up to \$10,000.00, there must be a minimum of one (1) written quote from a qualified source of supply and there must be an approved purchase order in accordance with the procurement policies in this Manual. The purchases must be distributed equitably among qualified suppliers when practical.

For purchases of \$10,001.00 through \$25,000.00, there must be written quotations from no less than three (3) qualified sources of supply and there must be an approved purchase order in accordance with the procurement policies in this Manual. These purchase orders shall be signed by the Procurement Director and the County Administrator or his/her designee. Under rare circumstances, if the Department Director has done his/her due diligence and is unable to obtain three (3) quotes, only the Director or County Administrator can approve the purchase using one (1) or two (2) quotes.

For purchases of \$25,000.01 through \$100,000.00 there must be a written solicitation of the product or project and we must receive written quotes from at least three (3) sources which can be emailed to the Procurement Director. The solicitation can be advertised in SCBO, emailed to vendors, or other means of reaching vendors.

Any Purchase Orders, contracts, or agreements with a minimum total cost of One Hundred Thousand Dollars and One Cent (\$100,000.01) or more must be procured through the sealed bidding process and shall be submitted to the County Council for their approval. Such purchases must be documented with sealed written quotations from no less than three (3) qualified sources (unless approved by county council) and approval by the Procurement Director and the County Administrator that the procurement is to the advantage of the County and that there have been enough funds budgeted for the purchase. The County does reserve the right to limit or "short-list" bidders for such procurements, as is in the best interest of the County. Local Preference: This allows the lowest local (Chester County) Bidder whose bid is within seven percent (7%) of the lowest non-local Bidder to be awarded the project with the approval of County Council.

Exceptions: The purchase of commercially available off-the-shelf (in stock) vehicles with upfit packages as well as equipment in the amount of One Hundred Thousand Dollars and No Cents (\$100,000.00) and under can be purchased without additional quotes or using the bidding process. When purchasing multiple vehicles/equipment, and when not available on any type of state contract, the county reserves the right to purchase multiple vehicles/equip... [1]

bidding process. When purchasing multiple vehicles/equipment, and when not available on any type of state contract, the County reserves the right to purchase multiple vehicles/equipment on one Purchase Order following the receipt of quotes from three (3) sources and accepting the low price even when the price exceeds \$100,000.00.

For purchases of ~~\$19,999.99~~\$25,000.01 through \$100,000, there must be three (3) written quotations from qualified sources and a certification by the Director and the ~~County Supervisor~~County Administrator that the procurement is to the advantage of the County and that there have been sufficient funds budgeted for the purchase. Written solicitation can be advertised in SCBO, emailed to registered vendors or by other means of reaching vendors.

For purchases of ~~\$9,999.99~~\$10,001.00 through \$25,000.00, there must be written quotations from no less than ~~two~~three (23) qualified sources of supply and ~~a certification by the Director and the County Supervisor that the procurement is to the advantage of the County and that there have been enough funds budgeted for the purchase.~~there must be an approved purchase order in accordance with the procurement policies in this Manual. These purchase orders shall be signed by the Procurement Director and the County Administrator or his/her designee. Under exigent circumstances and where the Department Director has conducted due diligence and is unable to obtain three (3) quotes, only the Director or the County Administrator can approve the purchase using one (1) or (2) quotes.

For purchases of up to \$2,000.00~~\$10,000.00 or less~~, there must be a minimum of one (1) written quote from a qualified source of supply and there must be an approved purchase order in accordance with the procurement policies in this Manual. The purchases must be distributed equitably among qualified suppliers when practical.

Purchase of \$500.00 or less where normal purchasing processes are not practical; Department Directors and Elected Officials may make purchases from approved vendors but must get a purchase order within two (2) business days following the purchase.

Commented [JW6]: What about appointed officials?

Blanket purchase procurements must be approved by the ~~County Supervisor~~County Administrator and/or the Director for repetitive small purchases on a charge account basis not requiring a purchase order for each purchase and are limited to small purchases not to exceed ~~\$800.00~~\$2,500.00. Medical supplies, inmate food, and rock (gravel) are exempt from the dollar limit on blanket purchase orders.

Commented [KD7]: Add sentence: **Medical supplies, inmate food, and rock (gravel) are exempt from the dollar limit on blanket purchase orders.** (There are limited vendors for these supplies and they use the least expensive option.)

Sole source procurements must be approved by the ~~County Supervisor and~~ the Director where there is only a single supplier, compatibility of equipment or parts as a paramount consideration, the item is one of a kind, or the procurement is for printed material. A letter of verification that the vendor is a sole source provider shall be submitted prior to such approval.

Commented [SC8R7]: Not to exceed \$2,500 (change from \$800.00)

Commented [KD9]: County Administrator not needed to approve sole source letter from a vendor.

Procurements in emergency situations declared by the ~~County Supervisor~~County Administrator to involve a threat to public health, safety, or welfare must be approved by the ~~County Supervisor~~County Administrator and do not have to follow the procurement procedure.

Approval levels and procedures are further outlined in this Manual.

D. Prohibited Contracts

The County and its agencies are prohibited from entering into any contract, lease or agreement, that would result in pecuniary gain for an employee or officer of the County, or an employee, officer or member of any County agency. The County shall be prohibited from entering into a contract, lease or agreement resulting in pecuniary gain for a member of the family of an employee or officer of the County or a member of the family of an employee, officer or member of any County agency. "Family member" shall be defined as being within the third degree of consanguinity or affinity.

Where a contract, lease or agreement has been negotiated through a strict process of public notice and competitive bidding, or through a request for proposals, and the existence and degree of familial relationship has been disclosed in writing in the original bid or proposal, and it appears that the award of such contract, lease or agreement would be in the best interest of the County, the prohibitions set forth herein may be waived by a majority vote of County Council. Such majority vote is satisfaction that County Council accepts such contract, lease, or agreement by a majority vote, if it is shown on the record that such familial relationship exists.

Employees engaged in the purchasing function are expected to be free of interests or relationships that are or potentially detrimental to the best interest of Chester County, and shall not engage or participate in any commercial transactions involving the County. Any employee who has assumed or is about to assume a financial or other outside business relationship that might involve a conflict of interest must immediately inform the ~~County Supervisor~~County Administrator of the circumstances involved. This information is to be reviewed at an appropriate level for ~~decision~~ decision on whether a conflict exists and, if so, what course of action is needed. A conflict of interest exists when an employee:

- Has an outside interest that materially impacts the time or attention that should be devoted to the affairs of the County;
- Has a direct or indirect interest in a relationship with an outsider that is inherently unethical or might be implied or construed to be or make possible personal gain due to the employee's ability to influence decisions; render the employee partial toward the outsider for personal reasons or otherwise inhibit the impartiality of the employee's judgment; place the employee or the County

in an embarrassing or ethically questionable position; or negatively reflect on the integrity of the County;

- Takes personal advantage of an opportunity that properly belongs to the County;
- Uses County property without approval;
- Discloses County proprietary information to unauthorized persons.

Employees of Chester County act within the scope of "express authority" and are neither negligent, dishonest, nor acting in bad faith and are then not likely to become personally liable for such actions. Personal liability may occur, however, if the scope of business authority is exceeded. Where this occurs, the seller generally has no recourse to the County since no valid contract exists. The recourse available to the seller becomes against the employee personally. All employees should avoid being placed in that position.

E. Ethics

Employees of Chester County are expected to be free of interests or relationships that are or potentially detrimental to the best interest of Chester County and shall not engage or participate in any conduct that would be in violation of ethics. In addition to the prohibitions listed above, employees of Chester County may not:

- Personally accept loans; moneys or other special considerations from an individual or business organization doing business with the County;
- Accept gifts, other than advertising novelties, entertainment or gifts of de minimus value;

Any employee offered or receiving payments, gifts or other consideration shall refuse it to the giver in a tactful manner, referring the giver to the policy prohibition. When in doubt, employees should ask prior to accepting any gift.

F. Compliance with County Finance and Federal Requirements

Where a procurement involves the expenditure of County funds which have been previously budgeted, the Contracts and Procurement Director and other applicable County personnel shall comply with the procedures as they relate to the disbursement of funds and/or management of projects where appropriate documentation for the expenditure is submitted in a timely and appropriate manner.

Where a procurement involved the expenditure of funds, which are the proceeds of bonds or other financing instrument, the Contracts and Procurement Director and other applicable County personnel shall comply with the terms of such financing.

Where a procurement involves the expenditure of Federal assistance or contract funds, the Contracts and Procurement Director shall comply with such Federal law and authorized regulations which are mandatorily applicable but may not appear in this Manual.

In all procurement actions for the County, the provisions of South Carolina Code of Laws §8-13-10, et sec (S.C. State Ethics Act) shall be complied with at all times. The acceptance of any gratuity in the form of cash, merchandise, or any other thing with a value exceeding twenty-five dollars (\$25.00) by an employee of the County from any person, firm or corporation to which any purchase contract is or might be awarded, shall be deemed a violation of this Manual and the corresponding County Ordinance, and may subject that employee to disciplinary action, up to and including termination. The offer of any gratuity by any actual or prospective vendor or contractor shall be cause for cancelling any contract involved, or for voiding any potential future relationship with that vendor or contractor, and for declaring the vendor or contractor ineligible for further bidding with the County.

F. **Anti-Trust**

The County operates in strict compliance with anti-trust laws such as the Sherman, Clayton and the Federal Trade Commission Acts, in any area of the County government's operations where violations may have significant negative impacts on its ability to conduct business, and which may lead to expensive litigation, damages and penalties. Any employee of the County who participates in a violation of these laws is individually and personally subject to fine or imprisonment.

II. **Definitions**

Addendum – A change or modification to achieve correctness. An addendum is also an alteration, modification, deletion or addition to a solicitation document such as an Invitation for Bids. An addendum must be in writing.

Amendment – A revision or change to a document, generally the contract; often used to correct a solicitation.

Award – The presentation of a Purchase Order or contract to a bidder or the acceptance of a bid or proposal.

Bid Bond – An insurance agreement in which a third party agrees to be liable to pay a certain amount of money if a specific successful bidder fails to sign the contract as it was bid.

Blanket Purchase Order – An arrangement under which a purchaser contracts with a supplier to provide an item(s) or a service(s) on an as-needed basis. Properly prepared, such an arrangement sets a limit on the period it is valid and the maximum amount of money that may be spent within a specified period.

Bidder - A Business Enterprise that submits a bid in response to any County solicitation.

Business Days – Days on which the Administrative offices of the County are open for the public to conduct business.

Business/Business Enterprise – A legal entity operated for profit that is properly licensed, as applicable, and registered to do business in the State of South Carolina as a corporation, limited liability company (LLC), partnership, sole proprietorship, joint-stock company, joint venture, professional association or other formation recognized by the State. The term shall also include any nonprofit corporation duly registered with the State and possessing a 501(c)(3) designation from the Internal Revenue Service.

Certification – Completion by a Business Enterprise of the application process and subsequent approval by the Small Business Enterprise (SBE) Program Manager for participation of the Business Enterprise in the SBE Program.

Change Order (bilateral) - An agreed upon written order to a Contractor executed by the County and the Contractor following execution of a base contract, directing a change in the work which may include a change in the contract price, the time for Contractor's performance, or any combination thereof.

Change Order (unilateral) – A written order issued by the Procurement Director or the Director's designee, directing the Contractor to make changes which the contract authorizes the County to order without the consent of the Contractor.

Competitive Bidding – The submissions of offers by individuals or firms competing for a contract, privilege or right to supply merchandise or services.

Competitive Sealed Bidding – A method of procurement that requires the following elements: issuance of an invitation for Bids with a purchase description/specifications, acceptance criteria and all contractual terms and conditions applicable to the procurement; a public, contemporaneous opening of bids at a pre-designated time and place; an unconditional acceptance of a bid without alteration or correction except as authorized in this Manual; and an award to the most responsive and responsible bidder who has submitted the lowest bid that meets the requirements and criteria set forth in the invitation for Bids.

Construction – The process of building, altering, repairing, improving, or demolishing any public structure, or building, or other public improvements of any kind to any public real property. It does not include the routine operations, routine repair, or routine maintenance of existing structures, buildings or real property.

Construction Management Services or Design-Build Services – Approaches to construction contract management that allow for the selection of a single firm to perform and/or manage the complete design and construction of a project.

Contract – All types of County agreements, regardless of what they may be called, that engage the procurement of supplies, services or construction and are enforceable by law.

Contract Modification – Any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity or other provisions of any contract accomplished by mutual action of the parties to the contract. Verbal contract modifications will not be recognized as valid by the County.

Contractor – Any person entering into a written agreement/contract with the County for the procurement of supplies, services or construction.

Cost Analysis – The evaluation of cost data for the purpose of arriving at costs actually incurred or estimates of costs to be incurred, prices to be paid, and costs to be reimbursed.

Cost-Plus-A-Percentage-Of-Cost-Contract – A cost reimbursement contract that prior to completion of the work the parties agree that the profit fee will be a predetermined percentage of the total cost of the work.

Cost-Plus-Fixed-Fee-Contract – A cost reimbursement that provides for the payment of a fixed fee to the Contractor. The fixed fee, once negotiated, does not vary with the actual cost but may be adjusted because of any subsequent changes in the Scope of Work or services to be performed.

Days – Calendar days unless specifically indicated to be business days.

Debarment – Where a supplier or contractor is prevented from consideration in the award of contracts. This may occur because the Contractor's name appears on either the Federal or State Department lists, contractor does not have the requisite licensing as required for the work/services, contractor is in arrears with payment to the Federal, State or local governments, or other reasons as determined by the County.

~~**Department Head** – The individual responsible for a department or agency of the County including without limitation elected and appointed officials.~~

~~**Department Director** – The individual responsible for a department or agency of the County.~~

Commented [KD10]: Replace with Department Director and 'department(s)'

Designee – A duly authorized representative of a person/department/agency holding a superior position.

Design Specifications – A specification that sets forth physical characteristics in definitive terms.

Disadvantaged Business – A small business which is owned or controlled by a majority of persons, not limited to members of minority groups, who have been deprived of the opportunity to develop and maintain a competitive position in the economy because of social disadvantages.

~~**Elected Official** – Individuals duly elected into office who is responsible for a department, agency or function of the County.~~

Electronic – A means that is electrical, digital, magnetic, optical, electromagnetic, or any other similar technology.

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Emergency Purchase – An immediate acquisition by a department to obtain goods or services to avoid a substantial hazard to life or property, or significant interruption of the operations of a County department. Such action may be taken by a Department **Head Director** on weekends or in the evenings, but every effort

must be made to obtain the approval of the **County Supervisor** **County Administrator** or in his absence, the County Treasurer.

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Equal Opportunity – Policies and procedures of the County to ensure non-discrimination and equal opportunity to all employees, especially women, minorities, and persons with disabilities. Specific contract provisions may require nondiscrimination in employment by contractors and subcontractors.

Fixed-Price Contract – A price not subject to any adjustments through a commitment due to a previously agreed upon fixed cost by the Contractor prior to the performance of the contract.

Good Faith Effort – The requirement that prime Contractors make a documented effort, in "good faith", to provide contract opportunities to small, minority-owned and woman-owned businesses in accordance with the policies of the County.

Governmental Body – Any department or agency of the County.

Invitation for Bid – A formal request to prospective vendors soliciting price quotations or bids in accordance with the procedures in this manual.

Joint Venture – A partnership or cooperative agreement between two or more businesses related to a single effort to secure a contract opportunity.

Minor Informality – Mistakes, excluding judgmental errors, that have negligible effect on price, quantity, quality, delivery, or other contractual terms, and the waiver or correction of such mistakes does not prejudice other Bidders or Offerors, or the County.

Offeror – One who submits a proposal in response to an RFP in competitive negotiation, or one who makes an offer in response to a solicitation.

Performance Bond – A bond that may be required as specified in the RFP or solicitation to ensure completion of the work or services proffered.

Prequalification – A process in which bidders/vendors/service providers are prequalified by responding to a solicitation to establish responsibility. This may include without limitation information regarding such factors as financial background, industry stability, capacity to perform, lines of credit, manufacturers' authorizations, relevant experience, etc. This process may be used to short-list potential bidders prior to the bid let.

Procurement – Buying, purchasing, renting, leasing or otherwise acquiring any supplies, services, or construction. It may also include functions that pertain to the obtaining of any supply, service, or construction including, without limitation, a description of requirements, selection, and solicitation of sources, preparation and award of contract, and all phases of contract administration.

Procurement Agent or Buyer – The Director of Contracts and Procurement shall be the Procurement Agent or Buyer, or shall designate another employee in the Department to act in this role.

Professional Services – Professional services and consultant services include services that are of an advisory nature, provide personal expertise and/or a recommended course of action, and have an end product that is basically a transmittal of information related to County programs or operations. Classification as professional services may also require an advanced, specialized type of knowledge, expertise or training customarily acquired either by a prolonged course of study or equivalent experience such as accountants, physicians, investigators, attorneys, architects, surveyors, or engineers.

Public Notice – The distribution or dissemination of information using methods that are reasonably available to interested parties. Such methods may include, at the discretion of the County, publication in newspapers of general circulation, electronic or paper mailing lists, and website(s) designated by the County.

Purchase Order – A written document prepared by the buyer and provided to a supplier formally stating all terms and conditions of procurement and in accordance with the procedures and policies in this Manual.

Quotation – A statement of price, terms of sale, and description of goods or services offered by a supplier to a prospective purchaser; the stating of the current price of a commodity.

Request for Proposals (RFP) – A request made through Public Notice for the submission of proposals based on a generalized Scope of Work with contract award to the responsible person(s) submitting the most advantageous and responsive proposal.

Request for Quotations (RFQ) – A request made through Public Notice for the submission of written quotations without formal advertising and requirement for sealed bids.

Responsible Bidder or Offeror – A Bidder who has the capacity in all respects to perform fully any contract requirements and who meets all other requirements of the County which will assure a good faith performance, and which may be substantiated by past performance.

Responsive Bidder or Offeror – A Bidder who has submitted a bid or offer which conforms in all material aspects to the solicitation.

Short-List – The ability of the County to limit the number of invited Bidders to an RFP or RFQ when it is in the best interest of the County to do so.

Specifications – A detailed statement of particulars prescribing dimensions, materials, performance, quality of work, etc. for something to be purchased, built or installed.

Small Business – A U.S. business which is independently owned, and which is not dominant in its field of operation or an affiliate or subsidiary of a business dominant in its field of operation.

Sole Source Purchase – An award for a commodity or service that can only be purchase from one supplier, usually because of its technological, specialized, or unique character.

Solicitations – Purchasing processes designed to seek and obtain goods and/or services including Request for Quotations (RFQ), Invitation for Bids (IFB), and Request for Proposals (RFP).

Subcontractor – A Business Enterprise that either directly contracts with a Contractor or directly contracts with another Subcontractor under such Contractor, to provide services or perform work relating to a contract. May also be referred to as “Vendor” interchangeably.

Substantial Performance – Exists when the Contractor has performed all material requirements of the entire contract or a divisible portion thereof, such that the underlying purpose of the contract has not been substantially impaired.

Supplier – A Business Enterprise that either directly contracts with a Contractor or directly with a Subcontractor under such Contractor, to provide materials, supplies, or equipment in connection with a contract. A supplier may be a regular dealer, manufacturer, or broker. May also be referred to as “Vendor” interchangeably.

Termination for Cause – An exercise of the County’s contractual right to completely or partially terminate a contract because of the Contractor’s failure to perform its contractual obligations. Generally, County procurement will only support a “Termination for Cause” if the Contractor has failed to Substantially Perform. Contracts are not usually terminated because a Contractor does not completely or perfectly perform (minor non-performance issues remain). Contracts may be “Terminated for Cause” due to minor non-performance issues when the contract documents expressly require perfect performance.

Termination for Convenience – An exercise of the County’s right to terminate or cancel performance of work under contract, in whole or in part, if the County determines that termination is in the best interest of the County.

III. DEPARTMENT OF CONTRACTS AND PROCUREMENT

A. Creation

The County has created the Department of Contracts and Procurement (“Procurement”) to assure that purchases for the County are made in compliance with County Ordinance and other policies governing these actions. The acquisition of supplies, equipment and services necessary for the everyday operation of the County is the responsibility of this Department operating under the direct supervision of the Director of Contracts and Procurement. This Department serves as an important cross functional ally supporting operating groups within the

County as they strive to meet needs and achieve mandates since the Department represents the primary contact between the various functions and their suppliers.

Procurement is the only unit in the County authorized to procure supplies, materials, equipment and contractual services required by the Departments except as provided by County Council through its ordinance, the exemptions outlined in this Manual, and the policy on petty cash. The ~~County Supervisor~~ County Administrator or his/her designee and the Director are the only individuals authorized to sign purchase orders or contracts on behalf of the County.

Commented [KD11]: When the County Administrator is out of the office and unavailable to sign purchase orders, he/she will appoint a designee to sign in his/her place.

Any individual who enters into an agreement on behalf of the County without prior authorization or the signature of either the ~~County Supervisor~~ County Administrator and/or the Director may be assuming personal liability for such commitment. So long as employees of the County act within the scope of “express authority” and are neither negligent, dishonest, nor acting in bad faith, then the employees are not likely to become personally liable for such actions. Personal liability may occur, however, if the scope of business authority is exceeded. Violations shall be reported immediately to either the ~~County Supervisor~~ County Administrator or the Director who will investigate and based on the findings of the investigation, shall take appropriate action with the appropriate individual. Individuals reporting valid violations shall not be subjected to retaliation.

B. Director of Contracts and Procurement

The County has created the position of Director of Contracts and Procurement (“Director”) who will be the County’s principal procurement official for the purpose of entering into contracts for the procurement of goods and services. The Director shall be selected in accordance with County personnel policies and procedures, will be a full-time public employee of the County and shall report to the ~~County Supervisor~~ County Administrator.

The Director shall be responsible for establishing and administering purchasing policies; establishing professional relationships with current or potential vendors, initiating reports necessary to permit analysis of purchasing performance; negotiating and recommending contracts; consolidating purchases of like or common items, and analyzing prices paid for materials, equipment, and services.

The primary objectives for the Director include, without limitation:

1. Procure for the County, the highest quality supplies, equipment, and services for the least possible cost;
2. Promote an understanding of sound purchasing policies and procedures throughout all departments, divisions and agencies of the County;

3. Determine the most efficient and economical means of obtaining an item or service without sacrificing the controls and principles of sound purchasing;
4. Assist in developing competitive specifications for use by all departments, divisions and agencies;
5. Maintain awareness of improved purchasing practices utilized by private industry and other governmental entities, and apply such practices when feasible with the approval of the ~~County Supervisor~~County Administrator;
6. Encourage competition and endeavor to obtain full and open completion on all purchases;
7. Maintain and update forms as necessary for the successful operation of the Department;
8. Establish vendor accounts to include, without limitation, completed W-9 forms, and all Certificates of Liability required, and to ensure that Accounts Payable is provided with all vendor documentation prior to the issuance of any Purchase Order to vendor;
9. Exchange ideas and information with other local government procurement departments to solve common procurement problems;
10. Exercise control over surplus, excess, and dilapidated materials;
11. Coordinate with departments, divisions and agencies of the County to maintain inventories at a satisfactory level commensurate with the budget;
12. Confirm expenditures with Finance to ensure monetary appropriations are adequate and existing;
13. Work with departments, divisions and agencies of the County to promote good will between the County and its vendors;
14. Comply with all local, state, and federal laws in the administration of procurement and contracting functions;
15. Cooperate with County Finance in the preparation of statistical data concerning the procurement, usage, disposition of all supplies, services and construction;
16. Advise ordering departments whenever the quality or specifications of the ordered materials are inconsistent with normal standards that may lead to higher costs given market conditions;
17. Ensure confidentiality where appropriate for proprietary information received and not subject to disclosure under State or Federal laws;
18. Advise the ~~County Supervisor~~County Administrator of economic and market conditions which may significantly impact the County's short and long-term interests;
19. Develop, with the assistance of the County Attorney as to legal sufficiency, standard forms and conditions of invitations to bid and purchase orders and contracts; develop and prescribe the use by agencies of other forms required in carrying out the provisions of this Manual, and amend or eliminate any such forms;

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20. To the greatest extent possible, make full utilization of the procurement services provided through the South Carolina Division of General Services, Materials Management

Office, i.e., S.C. State Contracts;

21. All other activities required by the job description of the Director and the requirements of this Manual for the smooth and effective operation of the Department.

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IV. THE PROCUREMENT PROCESS

A. Requirements for Requisitions

Purchasing is responsible for ensuring the efficient purchase of materials, supplies and services with the objective that they be available at the proper time, quantity, quality, location and price consistent with the needs and resources of the County. It is vital to the successful performance of this duty that the Director have the authority to review procurement requests, specifications and suggested sources.

Procurement may work with departments, divisions and agencies to develop a list of acceptable suppliers of a specific product or service whenever necessary. Once a list of acceptable suppliers has been established, the Director or Procurement designee shall be solely responsible for selection of a supplier from that list for the best fit for current requirements. The Director shall be responsible for the review of the specifications of each purchase requisition. This review shall include, without limitation:

1. Requests for goods of a quality that seem to be greater than required;
2. Requests for goods of a quality that seem to be less than required;
3. Requests whose material seems to be inconsistent with the actual requirement;
4. Requests that do not conform to County standards;
5. Requests for "sole source" purchases;
6. Requests for items believed to be under State contract, and
7. Requests without proper authorization.

In order for any purchase to be considered, an approved Requisition must be submitted prior to any purchase or the agreement to purchase any goods or services that are not exceptions to these policies and procedures. The Requisition must contain the vendor name, address, contact information, the account (budget) number, item number, item description, cost, shipping, method of payment, anticipated completion date, and must be signed by the Department Head Director or their designee. Requisitions that are submitted incomplete will be returned and thus may delay the procurement as a result. **All signatures on the Requisition must be original signatures. Requisitions that are submitted with a rubber-stamped signature**

Commented [KD12]: Department Director or designee.

Commented [KD13]: Signatures must be original and may be signed with the appropriate secure electronic signature platform.

will be returned and will likely delay the purchase. Where available, digital electronic signatures provided through the appropriate platform will be accepted.

B. Purchase Order

A Purchase Order is a legal document governed by the Uniform Commercial Code (UCC) that creates a binding commitment for the County. Purchase Orders will be used by all authorized employees for purchases and ~~constitutes~~constitute a final and entire agreement between the supplier and the County as a bona fide offer to buy. When formal acceptance is received from the supplier, the Purchase Order becomes a legal contract that is binding. This gives the supplier the authority to ship and to invoice for the goods or services. Due to the binding nature of a Purchase Order, those employees who are authorized to engage in procurement must understand that **no commitment may be made to any vendor without following the procurement policies and procedures, and any commitment made outside of the precepts of this Manual may create a personal liability for that employee.**

The Purchase Order is critical to protecting the County from unclear and/or unusual provisions and must be written with care as a result. Terms and conditions contained in the County's purchase order provide protection against unfair or unreasonable limitations or disclaimers that frequently appear in quotations forms that are received from suppliers.

A major requirement of a Purchase Order is precise and clear descriptions of the elements of the order, the terms of the purchase, and time, manner and place of delivery. Additionally, Purchase Orders will not be issued for any procurement that has not followed the requirements of this Manual. **All the following information must appear on any requisition since it is necessary when preparing a purchase order:**

1. Name and address of supplier and requisitioner name;
2. Requisition number or budget number, where applicable;
3. Address of ordering location and ship to/bill to address;
4. Account number and charge number, where applicable;
5. Date of order;
6. FOB information and discount terms;
7. Manner of shipment and route, where applicable;
8. Description of goods, quantity per item, price per unit and part number, where applicable and total cost of procurement;
9. Date goods are required;
10. Confirmation;
11. Verification by the Director of the receipt of an executed W-9 tax form and required Certificates of Insurance for General Liability, Workers' Compensation and any other insurance requirements;

12. Signature of person requesting procurement, and
13. Signatures of ~~County Supervisor~~ County Administrator or his/her designee and Director.

Commented [KD14]: Signature of Director and/or County Administrator or designee.

The following caveats are critical in the preparation of a Purchase Order and may delay the procurement process if not adhered to carefully:

- An approved Requisition must be submitted prior to the issuance of any Purchase Order. Commitments made to vendors by anyone representing the County prior to the issuance of a Purchase Order will not be honored by the County and could create personal liability for the individual making the invalid commitment.
- Purchase Orders **must state** the price, number of units, part number(s), where applicable, the extended price (the unit price multiplied by the number of units ordered), and the total cost of the Purchase Order.
- The Purchase Order **must show** appropriate discounts and any payment terms, so the County has a complete understanding as to what needs to be paid and when.
- The FOB point and freight terms **must** be clearly stated.
- The Purchase Order **must show** the specific date materials or services are expected to be delivered or performed.
- ~~Blanket Purchase Orders may be permitted under certain circumstances but must be approved by the County Supervisor and the Director, and may require the approval of County Council depending on the total value of the Purchase Order.~~
- The ~~Requisition and resulting~~ Purchase Order **must show** the original signatures of the ~~County Supervisor~~ County Administrator and the Director. **Rubber-stamped signatures will not be accepted.** Requisitions that are submitted with a rubber-stamped signature will be returned and will likely delay the purchase.
- ~~For any purchase that ultimately needs a Purchase Order as required by this Manual, a~~ Purchase Orders ~~number~~ **must be submitted** ~~be obtained before any commitment is made on behalf of the County.~~ Invoices that arrive with a check request for payment to the Vendor may be denied.
- ~~Emergency purchases that are Five Hundred Dollars and No Cents (\$500.00) or less may be purchased using an approved vendor before you have a Purchase Order. The Purchase Order must be processed within two (2) business days of the purchase.~~

Commented [KD15]: Remove. Blanket purchase orders do not need approved by administrator.

Commented [KD16]: Remove 'requisition'--only the PO needs purchasing director or administrator signature. The requisition is approved by each requesting department's director.

Commented [JW17]: Will there be the ability to document soon?

Commented [KD18]: 'Before any commitment is made on behalf of the county, the Director or Buyer must have a purchase order number prior to making a purchase.'

(We may now have to re-word this to say directors may purchase certain items up to \$2,500 prior to having a PO but it must be from an approved vendor and you must submit a requisition and receipt/invoice to the Buyer within 1-2 business days from the date of purchase.)

Commented [SC19R18]: Emergency Purchases \$500.00 or under may be purchased using an approved vendor before you have a Purchase Order, however you will need to get a PO processed within 2 days of the purchase.

Requisitions that are returned because of incomplete or invalid information or does not contain the proper approvals may result in the denial of a Purchase Order.

C. Source Selection

The selection of suppliers is the responsibility of Procurement and requires a consideration of several factors. In making the selection, the Director or his/her designee will coordinate closely with other departments to obtain adequate and reasonable specifications and other requirements relative to the purchase and supplier decision. As much detail as possible should be obtained in order that purchases adequately meet the needs of the County at the lowest cost or best value. The County will select providers based on expertise, dependability, reputation, past performance and financial strength. County Council shall retain the authority to establish or approve a method of source selection other than those specified in this Manual or by Ordinance. County Council shall further retain the authority to give final approval to any procurement authorized by the Manual or by Ordinance. Also considered is the nature of guaranty or warranty of the product or service, its price and quality.

Commented [KD20]: 'or Buyer'

All sources requesting to be put on a Bidders' list shall be included unless the Director recommends that the Bidder should not go onto the list for previous performance issues. The Director shall ensure that the Bidders' list contain all identified sources interested in bidding on County procurement. The Director shall periodically review the Bidders' list and shall require the addition or deletion to such lists of sources as deemed necessary. The Bidders' list does not eliminate the County's obligation to notify the public of procurement opportunities.

Special consideration will be given to the following provided they satisfy any additional requirements contained in the RFP or RFQ:

1. Suppliers who are developing new and improved products or equipment or are developing/designing a special product or service for the County for exclusive use;
2. Suppliers who are located within the County;
3. Participation by minority, disabled or women-owned businesses, by certification.

D. Informal Bids

~~Any purchase under Eight Hundred Dollars and No Cents (\$800.00) may be considered informal and should be obtained in writing. Informal bids must continue to follow the requirements of any procurement to include, without limitation, the submission of a requisition, obtaining informal quotes, obtaining all appropriate documentation such as a W-9 and Insurance Certificates, issuance of a Purchase Order, and approval from the Director.~~

Commented [KD21]: Remove section D. Informal Bids

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E. Competitive Sealed Bidding

(i) *Invitation for Bid.* An invitation for Bid shall be issued and shall include a description of the scope of work or the product required. All contractual terms and conditions that are

applicable to the procurement will be set forth in full detail. The Invitation must be clear on terms and explain absolutes. The County reserves the right to limit or “short-list” the number of Bidders invited to bid.

(ii) *Public Notice.* Public notice of the Invitation for Bid shall be given not less than seven (7) days prior to the date set forth therein for the opening of bids. Such notice may include publication in a newspaper of general, local circulation. The notice shall include the place, date and time of bid opening.

(iii) *Bid Opening.* Bids shall be opened publicly in the presence of one (1) or more witnesses at the time and place designated in the Invitation for Bid. The amount of each bid and other such relevant information as may be specified by regulation, together with the name of each Bidder, shall be read aloud and recorded, creating a Bid Tabulation. The Bid Tabulation shall be open for public inspection after award. Late bids shall not be opened nor considered for award, but the name of the late Bidder(s) and the time of the attempted delivery shall be read aloud and recorded in the bid file wherever possible.

Commented [SC22]: At some point the bids may be submitted electronically and the bid tab will be submitted electronically back onto the bidding website. (Not sure how to word that - I will be working on this and hope to get this started in the 24/25 fiscal year.)

Commented [JW23R22]: I would recommend that we state the current process for now.

(iv) *Bid Information.* Most procurement information is a public record to the extent required by South Carolina Code Ann. §30-4-10 et seq. (The Freedom of Information Act or FOIA). Commercial or financial information obtained in response to a “Request for Proposal” or any type of bid solicitation or “Request for Quotation” which is privileged and confidential shall not be disclosed as well as other information which may be exempt from disclosure. Privileged and confidential information is information in specific detail not customarily released to the general public, the release of which might cause harm to the competitive position of the party supplying the information or constitute an unreasonable invasion of privacy. Such information must be designated at “confidential” or “proprietary” on the document itself. Examples of this type information include, without limitation:

- Customer Lists;
- Design recommendations and identification of prospective problem areas under an RFP;
- Design concepts, including methods and procedures;
- Biographical data on key employees of the bidder;
- Evaluative documents pre-decisional in nature such as inter- or intra- agency memoranda containing technical evaluations and recommendations, or
- Items marked as proprietary by a bidder under an RFP and not subject to public access under other provisions.

(v) *Bid Acceptance and Evaluation.* Bids shall be unconditionally accepted without alteration or correction, except as authorized by Ordinance or this Manual. Bids shall be evaluated based on the requirements set forth in the Invitation for Bid, which may include

criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award shall be objectively measurable, such as discounts, transportation costs, and total or life cycle costs. The Invitation for Bid shall set forth the evaluation criteria to be used. No criteria may be used in bid evaluations that are not set for in the Invitation for Bid. The Director may conduct discussions with the apparent responsive Bidders for the purpose of clarification if in the Director's judgment, such clarification is necessary. Clarification of any Bidder's bid must be documented in writing by the Director and shall be included with the bid file. Documentation concerning the clarification shall be subject to disclosure upon request under FOIA.

(vi) *Prequalification and Limitation of Bidders.* The County may determine that due to the size or breadth of a project, it must limit the number of Bidders to make the process more effective and efficient. This information shall be included in the Invitation For Bid as to the limit on the number of bidders and how many will be invited to bid, and prior to the receipt of any bids, the County will advertise for and receive Statements of Qualifications. The Statements of Qualifications shall be evaluated by a team including without limitation, the County Supervisor, County Administrator, County Treasurer, Procurement Director, Public Works Director, Roads Supervisor, Planning Director, Maintenance Supervisor, the IT Director the Engineering Consultant, and other engineers who may be involved with the project, . The makeup of this team will be determined by the nature of the project. Through the Statements of Qualifications, the County will prequalify those Bidders who will be invited to submit bids. Scoring will be predicated upon location of the company, previous work strength, safety records, number of employees, financial ability to perform the work, etc.

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(vii) *Correction or Withdrawal of Bids/Cancellation of Awards.* Corrections or withdrawal of inadvertently erroneous bids, before or after award of cancellation of awards or contracts based on such bid mistakes, may be permitted by the Director in accordance with this Manual. Mistakes discovered before bid opening may be modified or withdrawn by written notice received in the Director's office prior to the time set for bid opening. In lieu of bid correction, a low bidder alleging a material mistake of fact may be permitted to withdraw its bid if:

- a) the mistake is clearly evident on the face of the bid document, but the intended correct bid is not similarly evident; or
- b) the bidder submits evidence which clearly and convincingly demonstrates that a mistake was made. All decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination made by the Director.

After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the County or fair competition shall be permitted. Except as otherwise provided by Ordinance or this Manual, all decisions to permit the correction or withdrawal of bids, or to

cancel awards or contracts based on bid errors, shall be supported by a written determination made by the Director and reviewed by the County Attorney.

(viii) *Minor Informalities and Irregularities in Bids.* A minor informality or irregularity is one which is merely a form or is some immaterial variation from the exact requirements of the Invitation for Bid, having no effect or merely a trivial or negligible effect on total bid price, quality, quantity, or delivery of the supplies or performance of the contract, and the correction or waiver of which would not affect the relative standing of, or be otherwise prejudicial to, Bidders. The Director shall either give the Bidder the opportunity to cure any deficiency resulting from a minor informality or irregularity in a bid or waive any such deficiency when it is to the advantage of the County. Such communication or determination shall be made in writing. Examples of minor informalities or irregularities may include but are not limited to:

- a) Failure of a Bidder to return the number of copies of signed bids required by solicitation;
- b) Failure of a Bidder to furnish the required information concerning the number of the Bidder's employees or failure to make a representation concerning its size;
- c) Failure of a Bidder to acknowledge receipt of an amendment to a solicitation, when required, but only if the amendment has no effect or merely a trivial or negligible effect on price, quality, quantity, delivery, or relative standing of Bidders;
- d) Failure of a Bidder to furnish product literature;
- e) Failure of a Bidder to indicate a bid number on its submission envelope, and
- f) Failure of a Bidder to indicate his contractor's license number.

(ix) *Award.* No bid will be awarded until the Director has reviewed each bid. A written recommendation is then sent by the Director to the Finance Director and the ~~County Supervisor~~ County Administrator for written authorization to proceed with the purchase based on available funds. For those purchases requiring the approval of County Council, once approved for funding by the Finance Director and the ~~County Supervisor~~ County Administrator, the recommendation would then be sent for review by the County Council at a duly called Council meeting. It is the policy of the County to award the contract with reasonable promptness by written notice to the lowest responsible and responsive Bidder whose bid meets the requirements and criteria set forth in the Invitation for Bid.

Commented [KD24]: All bid approvals go directly to the County Council. Discussions with the County Administrator and or County Finance are only needed to be sure the funds are available.

In the event the Director recommends purchasing from a Bidder other than the lowest Bidder, the Director shall submit a written recommendation to the ~~County Supervisor~~ County Administrator detailing reasons for the request. The request must be approved by the ~~County Supervisor~~ County Administrator and/or the County Council, depending on the authorization requirements as set forth in this Manual, prior to awarding the contract to someone other than the lowest responsible and responsive bidder.

In other than construction projects (addressed separately herein), if all bids exceed available funds and no additional monies can be appropriated, then the bids will be rejected.

(x) *Tie Bids.* If two (2) or more Bidders are tied in price, while otherwise meeting all the required terms and conditions of the bid, awards may be determined as follows:

- a) If there is an in-County firm (active business) tied with an out-of-County firm, the award will go to the in-County firm.
- b) If there is an in-state firm (active business) tied with an out-of-state firm, the award will go to the in-state firm.
- c) Tie bids involving in-County and in-State firms may be resolved by accepting the bid that was first received (reference time and date stamp) in the Purchasing Department.
- d) Tie bids involving in-County and in-State firms may be resolved by the flip of a coin in the office of the Director witnessed by all interested parties.

(xi) *Cancellation of Invitation for Bid or RFP.* An Invitation for Bid, an RFP or other solicitation may be cancelled, or any or all bids or proposals may be rejected in whole or in part when it is in the best interest of Chester County in accordance with regulations. The reasons for the cancellation or rejection must be in writing and be incorporated into the solicitation file.

(xii) *Negotiations after Unsuccessful Competitive Sealed Bidding.* When bids received in response to an Invitation for Bid are unreasonable or the low bid exceeds available funds as certified by the Finance Director, and it is determined in writing by the Director that time or other circumstances will not permit the delay required to re-solicit competitive sealed bids, a contract may be negotiated pursuant to this section, provided that:

- a) Each responsible/responsive Bidder, who submitted a bid under the original solicitation, is notified of the determination and is given reasonable opportunity to negotiate;
- b) The negotiated price is lower than the lowest rejected bid by any responsive/responsible Bidder under the original solicitation, and
- c) The negotiated price is the lowest negotiated price offered by any responsive/responsible Bidder.

F. Competitive Bidding Exceptions

The following supplies and services may be considered exceptions from Competitive Bidding processes as determined by the County but will still require a requisition and issuance of a Purchase Order where noted

~~1. Small purchases of Two Thousand Dollars (\$2,000.00) or less will require a Purchase Order, and submission of invoices, receipts or sales tickets must be submitted to Accounts Payable within two days from the date of purchase;~~

Commented [SC25]: Remove

~~2.1.~~ Leasing or purchasing of real property does not have to follow the procurement procedure but must be approved by the ~~County Supervisor~~ County Administrator prior to entering into any contractual agreement;

~~3.2.~~ Advertising time or space in newspapers, radio, television, professional journals or publications;

~~4.3.~~ Postage stamps and postal fees, U.S. Post Office box rentals;

~~5.4.~~ Professional training – requires requisition and issuance of Purchase Order;

~~6.5.~~ Conference facilities – requires requisition and issuance of Purchase Order;

~~7.6.~~ Maintenance on equipment that must be provided by the original equipment manufacturer or an authorized dealer – requires requisition and issuance of Purchase Order;

~~8.7.~~ Purchasing through state contracts (State contract number must be clearly shown on the Purchase Order) – requires requisition and issuance of Purchase Order;

~~9.8.~~ Services provided by public utilities as regulated by the Public Service Commission;

~~10. Credit card purchases for gas and oil – requires requisition and issuance of Purchase Order;~~

~~11.9.~~ Professional dues and registration and membership fees will require a Purchase Order;

Commented [KD26]: Remove 'gas'. Fuel is purchased with a separate Fuel Card. Motor oil is required a purchase order.

~~12.10.~~ Legal services;

~~13.11.~~ License agreements for computer software, after such software has been purchased subject to the provisions of this Manual – requires requisition and issuance of Purchase Order;

~~14.12.~~ The procurement of copyrighted educational films, CD-ROM documents, databases, computer assisted instructional materials, interactive video programs and other related materials made available by information technology that can only be obtained from the company providing the information or service – requires requisition and issuance of Purchase Order;

~~15.13.~~ The procurement of goods, products or services from the South Carolina Department of Corrections – requires requisition and issuance of Purchase Order;

~~16.14.~~ Hospital fees;

~~17.15.~~ Payment to Federal and State agencies as required by law; and

~~18.16.~~ Travel and lodging – requires requisition and issuance of Purchase Order and lodging reservations (and any changes to the reservations) shall be made through the Purchasing Office. Travel and lodging is also limited by the Travel policy in the Employee Handbook. Overnight lodging is not typically approved for travel that is within a sixty (60) mile radius, and the traveler is required to complete a Travel Request, obtaining approval prior to the travel. When lodging is required, employees are expected to utilize standard, medium-priced

Commented [KD27]: This needs to be reworded to reflect modern information technology.

hotels and motels whenever possible. If an employee is to attend a formal, organized meeting or convention, they may stay at the hotel or motel where the meeting is held with advance Department **Head-Director** approval. In all cases, the county will pay no more than the regular single occupancy rate and government rates must be requested. **Receipts for lodging must be presented with daily expense report.**

Commented [KD28]: Employees cannot make any changes to their rooms, such as upgrades. Only the County Purchasing Office can make changes.

G. Formal Bids for Construction Projects

For construction projects, the Public Works Director along with a third-party engineering firm (the "Engineer") shall generate plans and create specifications. The date set for the bid opening must allow ample time for prospective bidders to prepare their bid. Public bid notices may be run in one or more newspapers of general local circulation. The formal bid opening may also appear on the South Carolina Business Opportunities (SCBO) website and/or the Chester County website. The Director will determine, with the assistance of the Public Works Director and the Engineer, what construction trades will be involved on the project (e.g., subcontractors, drywall, electrical, fencing, etc.).

Where the Director and/or the Engineer feel a pre-bid meeting is mandatory, that information will be included in the Invitation for Bid. Bidders who do not attend the mandatory pre-bid meeting will be prohibited from submitting a bid.

Bids received late will not be accepted or considered for the award. Bids are opened publicly at a specific date and time. A Bid Tabulation will be created and made available to all interested Bidders following the reading of the bids. No bid will be awarded until the Director, Public Works Director and the Engineer have reviewed each bid. A written recommendation for the award shall be sent to the ~~County Supervisor~~ **County Administrator** for review and ~~subsequently-subsequent submission~~ to County Council ~~where appropriate~~ **for approval**. Upon approval, the Director with the assistance of the County Attorney, shall create a contract agreement which is sent to the successful contractor for execution. Once the contract agreement has been returned, the Director, Public Works Director and the Engineer will issue a "notice-to-proceed" for the contractor.

Commented [KD29]: It may be discussed with the County Administrator but the recommendation is brought before the county council.

It is the policy of the County to award the contract to the lowest responsible and responsive Bidder who best meets the County's plans and specifications. Factors considered in awarding a construction contract should include without limitation, the following: 1) quality; 2) price; 3) warranty or guarantee; 4) timeliness of delivery; 5) service; 6) past performance of contractor on previous projects; 7) client references involving like or similar projects.

In the event the Director recommends awarding the contract to other than the lowest

Bidder, the Director and/or the Engineer shall submit a written request to the County SupervisorCounty Administrator detailing reasons for the request. Depending on the approval authority required, this may be approved by the County SupervisorCounty Administrator and sent back to the Director or approved by the County SupervisorCounty Administrator and sent on for review to the County Council. If either the County SupervisorCounty Administrator or County Council do not adopt the recommendation of the Director, the contract will be awarded to the lowest Bidder.

When deemed necessary by the Director, a bid deposit in the amount of at least 5% of the proposed contract price will be required of all Bidders. This deposit will be in the form of a 5% bid bond executed by a corporate surety licensed under the laws of South Carolina. If the successful Bidder fails to enter into the proposed contract within 15 days after the award date, the County may call for the bid bond.

A performance bond in the amount of 100% of the contract price may be required at the discretion of the Director and/or the County SupervisorCounty Administrator in any case where the construction contract price exceeds \$50,000.00. Such bond shall be reviewed and approved by the County Attorney. This provision enables the Director to ensure that the contractor provides suitable evidence of their financial condition and ability to complete the work without financial difficulty. Cash or a certified check, in the full amount of the contract, may be submitted as part of the contract in lieu of a bond within fifteen (15) days from the contract award date. Failure of the contractor to satisfactorily fulfill their obligations shall be cause for the forfeiture of the guaranty. In such instance, the Director shall document the circumstances and file such findings with the related contract.

In some cases, the Director may determine that an alternative to a performance bond is appropriate. In such cases the County shall require a general liability insurance policy with a binder for "completed operations" and premises policy rider sufficient to cover the cost to complete the project. In addition, a provision shall be made for all accounts payable checks for the project to be issued as jointly payable to the contractor and supplier. Also, a provision shall be made in the contract raising the percentage of retention in the contract prior to completion.

For construction contracts of less than \$50,000.00, 25% of each payment request shall be retained by the County until the final payment for the contract is made or until the County has determined to its satisfaction that the contracted project is substantially complete.

Commercial contractors must be licensed by the South Carolina Department of Labor, Licensing and Regulation (SCLLR) before being awarded any contract for \$5,000 or more. Electrical and plumbing contractors must secure a surety bond, made out to Chester County, before being awarded any contract for \$1,000 or more. Mechanical contractors must secure a

surety bond, made out to Chester County, before being awarded any contract for \$2,500 or more.

H. Competitive Sealed Proposals ("RFP")

(i) *Conditions for use.* Where the Director determines in writing that the use of competitive sealed bidding is either not practicable or not advantageous to the County, a contract may be entered into by competitive sealed proposals. Proposals shall be solicited through a Request for Proposals ("RFP").

(ii) *Public Notice.* Public notice of the RFP shall be given not less than seven (7) days prior to the date set forth therein for the opening of the proposals. Such notice may include publication in a newspaper of general local circulation or advertisement on SCBO and the Chester County website.

(iii) *The RFP.* The RFP should state the relative importance of price or fee and other evaluation criteria. The County shall attempt to secure proposals from no less than three (3) qualified sources, when such sources are available.

(iv) *Receipt of Proposals.* No proposals shall be handled so as to permit disclosure of the contents of any proposal to competing Offeror's during the process of negotiation. A register of proposals shall be prepared containing the name of each Offeror, the number of modifications received if any, and a description sufficient to identify the item offered. The register of proposals shall be open for public inspection only after contract award.

(v) *Request for Qualifications (RFQ).* Prior to soliciting proposals, the Director may issue an RFQ from prospective Offerors. Such request shall contain at a minimum a description of the goods or services to be solicited by the RFP, and the general scope of work and shall state the deadline for submission of information and how prospective Offerors may apply for consideration. The request shall require information only on their qualifications, experience and ability to perform the requirements of the contract.

After receipt of the responses to the RFQ from prospective Offerors, prospective Offerors shall be ranked from most qualified to least qualified based on the information provided. Proposals shall then be solicited from at least the top two (2) prospective Offerors by means of a RFP. The failure of a prospective Offeror to be selected to receive the RFP shall not be grounds for protest under this Manual.

(v) *Proposal Opening.* Proposals shall be publicly opened and only the names of the Offerors disclosed at the proposal opening. Contents of competing proposals shall not be disclosed during the process of review and discussion. Proposals shall be available for public

inspection after award of the contract. Proprietary or confidential information marked as such in each proposal shall not be disclosed without written consent of the Offeror. Late proposals shall neither be opened nor considered for award; however, the name and address of the late Offeror and the time of attempted delivery will be recorded.

(vii) *Clarifications with Responsible Offerors and Revisions to Proposals Prior to Selection of Preferred Offeror or Proposal.* As provided in the RFP, discussions may be conducted with responsible Offerors who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Offerors shall be accorded fair and equal treatment with respect to any opportunity for submissions, and prior to award for the purpose of obtaining best and final offers. In conducting discussions there shall be no disclosure of any information derived from proposals submitted by competing respondents.

(viii) *Selection and Ranking.* Proposals shall be evaluated using only the criteria stated in the RFP and there must be adherence to any weightings that have been previously assigned. Once evaluation is complete, all responsive Offerors shall be ranked from the most advantageous to the least advantageous to the County, considering only the evaluation factors stated in the RFP. If price is an initial evaluation factor, award shall be made in accordance with this.

If price is not an initial evaluation factor, negotiations shall be conducted with the top ranked responsive Offeror for performance of the contract at a price which is fair and reasonable to the County. Should the Director be unable to negotiate a contract at a price which is fair and reasonable to the County, negotiations shall be formally terminated with the top ranked responsive Offeror and negotiations commenced with the second most advantageous responsive Offeror, and then the third and so on until a satisfactory contract has been negotiated. In conducting negotiations, there must be no disclosure of any information derived from proposals submitted by competing Offerors.

(ix) *Award.* Except as hereinafter prescribed, the award shall be made to the responsible Offeror whose proposal is determined, in writing, to be the most advantageous to the County, taking into consideration the evaluation factors set forth in the RFP. No other factors or criteria shall be used in the evaluation. The contract file shall contain the basis on which the award is made.

V. OTHER PROCUREMENT METHODS

A. Small Purchases

Any purchase not to exceed ~~\$800,000~~ \$10,000 may be accomplished without securing competitive

Commented [SC30]: \$10,000.00

quotations if the prices are fair and reasonable. Documentation of purchase must be accomplished through an approved Requisition and the issuance of an approved Purchase Order. Competitive quotations need only be taken when the Director suspects the price may not be fair and reasonable, e.g., comparison to previous price paid, personal knowledge of the price range of the item involved. The Director may periodically review the frequency of 'small purchases' to ensure the purchase is not a large purchase being purchased over a period to avoid the procurement process. Regardless of the amount of the small purchase, the vendor will be set up in the same fashion as other vendors and shall submit a written quote for the purchase, an executed W-9 and required Insurance Certificates to the Director.

B. Blanket Purchase Contracts

Blanket Purchase Contracts may exist for ongoing needs of the County. Bids are solicited based upon historic use of certain supplies or equipment. Procurement may authorize certain Department ~~Heads~~ Directors to place orders against blanket contracts without seeking bids each time since unit prices and terms have been agreed upon in writing by both parties. Certain Blanket Purchase Contracts may contain a provision for the renewal of a given annual contract for up to two (2) additional fiscal years based upon mutual agreement of both the County and the Vendor. Single purchases on a blanket Purchase Order must not exceed ~~\$800.00~~ \$2,500.00, and those that do exceed this limit must follow the appropriate process for the amount being purchased. Violation of this requirement may result in the loss of purchasing authority or personal liability for the purchase. Blanket Purchase Contracts **still requires the submission subsequent receipts and must be approved by the** ~~County Supervisor~~ County Administrator **and/or the Director.**

Commented [SC31]: \$2,500.00

C. Emergency Purchases/Emergency Construction

Emergency purchases should be avoided whenever possible through proper planning. An emergency may be defined as an "unforeseen occurrence requiring prompt and immediate action." An emergency may also include situations in which life, safety, and welfare of the County citizens are in danger, necessitating emergency construction work such as, without limitation, repairs to a sewer line, repairs to a water well pump, etc. For emergency purchases or contracts exceeding ~~\$2,500~~ \$500.00, the Department ~~Head~~ Director must request authorization from the ~~County Supervisor~~ County Administrator, utilizing the County Purchase Order, requesting a waiver of the County's formal bid procedures. All efforts must be made by the Department ~~Head~~ Director to obtain approval from the Chester ~~County Supervisor~~ County Administrator ~~or in his absence, the Chester County Treasurer~~ his/her designee. Such emergency purchases or construction may then be executed immediately upon approval. In cases where the County Purchase Order is not completed due to the extreme nature of the emergency, the Department ~~Head~~ Director is expected to follow up with the Director with an appropriately completed Purchase Order once the emergency has ceased and as soon as

Commented [SC32]: \$500.00

Commented [SC33]: Remove Treasurer, add his/her designee

practicable. Department Heads-Directors in first-responder situations should plan accordingly in their budgets for emergency purchases through the fiscal year.

Commented [KD34]: Can we add towing to this? The Sheriff's Office has to tow vehicles from all over the county and they do not know which towing company they will use. Tommy agrees that it doesn't make sense for them to tie up money on PO's to all of the towing companies. They will just pay those out with the invoice once it comes in.

D. Sole Source Procurement

Any request by a Department Head-Director that a procurement be restricted to one potential source shall be made in writing and shall contain an explanation as to why no other source will be suitable or acceptable to meet the needs of the County. A contract of less than, or equal to Twenty-Five Thousand Dollars and No Cents (\$25,000.00) may be awarded for a supply, service or construction item without competition where the County-Supervisor County Administrator and the Director determine in writing that there is only one source for the required supply, service or construction item, or that the proposed award to a single source is a permitted, noncompetitive procurement as set forth herein. Certification from the sole source vendor may be required. After verification of a sole source vendor, or the justification of a sole source purchase is warranted, the Director has the authority to negotiate the price, terms and conditions of the procurement. A sole source for non-competitive contract award greater than Twenty-Five Thousand Dollars and No Cents (\$25,000.00) for a supply, service or construction item must be approved by County Council. The Director will review the record of sole source providers yearly and submit the list of renewals for approval for the next fiscal year to County Council during the budget process.

Examples of permissible, non-competitive procurements include without limitation:

- Where the County-Supervisor County Administrator has deemed the compatibility of equipment, accessories, services, systems, software or replacement parts is of paramount importance;
- Where the item or service is an unexpected but immediate need such as towing services;
- Where an item is required for trial use or testing; and
- Where public utility services are to be procured.

E. State Contract Procurement

State procurement enters into a variety of contracts with manufacturers and/or dealers utilized by the State and local governments at all levels. The Director may procure without competitive bids equipment, supplies, or services which are under current state contract. These commodities may include without limitation, vehicles, tractors, backhoes, radar units, janitorial supplies, office supplies, traffic control equipment and fuel.

General Services Administration (GSA), HGAC, Sourcewell, Omnia, NASPO, are some of the contract holders who make their products available to State and local governments for the

Commented [KD35]: Also, HGAC, Sourcewell, Omnia, NASPO, etc.

same prices charged to federal government agencies. County purchasing may procure without competitive bids, equipment or supplies under contract with [GSA these entities](#), also referred to as Federal Supply Schedules.

Any purchase made through a State Contract or [GSA-Federal Supply Schedule](#) must be indicated as such on the Purchase Order through reference of the State Contract number or the [GSA-Federal Supply Schedule](#) Contract number. Purchase Orders that are purported to be purchasing through either agency but do not contain this number will be returned to the issuer without approval for the purchase. **State Contract procurement still requires a purchase order submission to the Director.**

VI. CONTRACT ADMINISTRATION

A. Types of Contracts

A contract is a bilateral agreement entered into by the buyer and the seller. For a contract to be legally binding and enforceable, both an offer and acceptance, in identical terms are required. **Contracts that bind Chester County may only be signed by the County Supervisor/County Administrator.** Other County employees who sign a contract without express authority may be held personally liable for the contractual amount therein.

Subject to the limitations of this Manual, any type of contract which will promote the best interest of the County may be used provided that the use of a cost plus a percentage of cost contract is prohibited. A cost-reimbursement contract may be used only when the Director determines that such a contract is likely to be less costly to the County than any other type or that it is impractical to obtain the supplies, services or construction required except under such a contract.

Types of permissible contracts include without limitation:

(i) *Multi-Term Contract.* A contract for supplies or services may be entered into for a renewable period or until completion of the project(s) which was clearly described in the original solicitation, whichever is later, not to exceed a total of five (5) years, provided the term of the contract and the conditions of renewal or extension, if any, are included in the solicitation and funds are available for the first fiscal period at the time of the contracting. Payment and performance obligations of the County for each succeeding fiscal period shall be subject to the availability and appropriation of funds.

Prior to the utilization of a multi-term contract, it shall be determined in writing:

- (a) That estimated requirements cover the period of the contract and are reasonably firm and continuing, and
- (b) That such a contract will serve the best interest of the County by encouraging effective competition or otherwise promoting economies in County procurement.

All multi-term contracts shall contain a clause stating that when funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be cancelled. **ALL MULTI-TERM CONTRACTS MUST BE APPROVED BY COUNTY COUNCIL.**

(ii) *Leases of Business Personal Property or Equipment.* A lease is a contract for the use of equipment or other supplies under which Title does not pass to the County unless there is a purchase option, where Title may pass to the County at some future time. A lease may be entered into if:

- (a) It is in the best interest of Chester County;
- (b) All conditions for renewal and costs of termination are set forth in the lease;
- (c) The lease shall be obtained using normal procurement procedures; and
- (d) Funding sources must be compatible with permitting a lease agreement.

(iii) *Lease with Purchase Option.* A purchase option in a lease may be exercised only if the lease containing the purchase option was awarded under competitive sealed bidding or competitive sealed proposal, or the leased supply or equipment is the only supply or equipment that can meet the County's requirements as determined, in writing, by the Department ~~Head~~ Director of the requesting department and the Director.

When a contract is to contain an option for renewal, extension or purchase, notice of such provision shall be included in the solicitation. Excise of the option is always at the County's discretion only, and not subject to agreement or acceptance by the Contractor.

(iv) *Maintenance Contract.* All maintenance contracts and agreements must be procured through the procurement process. Wherever practical, the terms of maintenance contracts shall be resolved in connection with the original solicitation for the item or equipment, which is the subject of the maintenance contract. The ~~County Supervisor~~ County Administrator or the Director, in consultation with the County Attorney, will review the contract for proper terms and conditions as well as for fair pricing. Maintenance contracts may only be approved by the Director and the ~~County Supervisor~~ County Administrator.

B. Contract Requirements

(i) *Contract File.* The Director shall maintain all determinations and other written records pertaining to the solicitation, award or performance of a contract in a contract file. Following the award of construction contracts, contract files reflecting daily administration shall be maintained in the department responsible for overall administration of the project. Copies of Change Orders to the contract shall also be maintained in the Director's file.

All procurement records shall be retained and disposed of in accordance with record retention guidelines and schedules approved by the State. If a contract is being funded in whole or in part by assistance from a Federal agency, then all procurement records pertaining to that contract shall be maintained for three (3) years from the closeout date of the assistance agreement, or the final disposition of any controversy arising out of the assistance agreement.

(ii) *Legal Review.* All contracts shall be either drafted by the County Attorney or if supplied by the Contractor/Vendor, reviewed by the County Attorney to ensure that the best interest of the County is served by the document.

(iii) *Required Provisions.* All contracts for supplies, services and construction shall include provisions necessary to define the responsibilities and rights of the parties to the contract. The Director may also issue clauses appropriate for supply, service or construction contracts which may address the following subjects:

- (a) The unilateral right of the County to order, in writing, changes in the work within the scope of the contract;
- (b) The unilateral right of the County to order, in writing, temporary stoppage of the work or delaying performance that does not alter the scope of the contract;
- (c) Variations occurring between estimated quantity of work in a contract and actual quantities;
- (d) Defective pricing;
- (e) Liquidated damages;
- (f) Specified excuses for delay or non-performance;
- (g) Termination of the contract for default, or in whole or in part, for the convenience of the County;
- (h) Suspension of work on a construction project ordered by the County; (i) Site conditions differing from those indicated in the contract or ordinarily encountered except that differing site conditions clauses need not be included in a contract:
 - I. When the contract is negotiated;
 - II. When the contract provides the site or design, or
 - III. When the parties have otherwise agreed with respect to the risk of differing site conditions.

(j) Types and amounts of insurance coverage which are reasonable but required for the protection of the County.

(iv) *Price Adjustments.* Adjustments in price resulting from the use of contract clauses as shown herein shall be computed in one or more of the following ways:

- I. By agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practical.
- II. By unit prices specified in the contract or subsequently agreed upon.
- III. By the cost attributable to the events or situations under such clauses with adjustment of profit or fee, all as specified in the contract or subsequently agreed upon.
- IV. In such other manner as the contracting parties may mutually agree.
- V. In the absence of agreement by the parties, by unilateral determination by the County, of the reasonable costs allocable either directly or indirectly to the events or situations under such clauses as accounted for in accordance with generally accepted accounting principles, and with adjustment of profit or fee, as appropriate and subject to the other provisions of this Manual.

(v) *Standard Contract Clauses and their Modification.* The Director may establish, after consultation with the County Attorney, standard contract clauses for use in County contracts. If the Director establishing any standard clauses addressing the subjects set forth above, such clauses may be varied provided that any variations are supported by written determination that states the circumstances justifying such variations, and provided that the nature of any such material variation be stated in the Invitation for Bids or RFP.

(vi) *Change Orders/Contract Modifications.* Every contract modification, Change Order, or contract price adjustment under a construction contract with the County shall be subject to prior approval by the Director. The Director may approve such modifications, Change Orders, or adjustments that do not exceed the budgeted amount approved by County Council. Any increase over the budgeted amount must be approved by County Council.

(vii) *Right to Inspect Plant.* The County may at reasonable times inspect the part of the plant, place of business, or work site of a contractor or subcontractor at any tier which is pertinent to the performance of any contract awarded or to be awarded by the County.

(viii) *Right to Audit Records.* The County may at reasonable times and places audit the books and records of any contractor who has submitted cost or pricing data to the extent that such books, documents, papers, and records are pertinent to such cost or pricing data. Such books and records shall be maintained by the contractor for a period of five (5) years from the date of final payment under the subcontract or as otherwise provided by laws of the State of South Carolina.

The County shall be entitled to audit the books and records of a contractor or a subcontractor at any tier under any negotiated contract or subcontract other than a firm fixedprice contract to the extent that such books, documents, papers, and records are pertinent to the performance of such contract or subcontract. Such books and records shall be maintained by the contractor for a period of five (5) years from the date of final payment under the subcontract or as otherwise provided by the State of South Carolina.

VII. LEGAL AND CONTRACTUAL REMEDIES

A. Authority to Resolve Protested Solicitations and Awards

(i) *Right to Protest.* Any actual or prospective Bidder, Offeror, or Contractor who feels they are aggrieved in connection with the solicitation or award of a contract may submit a written protest to the Director, except as otherwise stated in this Manual. The protest must be submitted within seven (7) calendar days after such aggrieved person knows or should have known of the facts giving rise thereto.

(ii) *Authority to Resolve Protests.* The Director shall have the authority, prior to the commencement of an action in court concerning the controversy, to settle and resolve a protest by an aggrieved Bidder, Offeror, or a Contractor, actual or prospective, concerning the solicitation or award of a contract.

(iii) *Decision.* If the protest is not resolved by mutual agreement, the Director shall issue a decision in writing within ten (10) calendar days. The decision shall:

- (a) state the reasons for the action taken; and
- (b) inform the protestant of his rights to administrative review as provided in this Manual and under the laws of the State of South Carolina.

(iv) *Notice of Decision.* A copy of the decision under subsection (iii) of this Section shall be mailed or otherwise furnished immediately to the protestant and any other intervening party.

(v) *Finality of Decision.* A decision under subsection (iii) of this Section shall be final and conclusive, unless fraudulent.

(iv) *Appeal.* A person adversely affected by the decision may appeal administratively to the ~~County Supervisor~~County Administrator.

B. Debarment or Suspension of Bidders, Offerors, or Contractors

When for any reason, collusion or other anti-competitive practices are suspected among any Bidder, Offeror, or Contractor, a notice of the relevant facts shall be transmitted to the County Attorney.

(i) *Authority.* After fifteen (15) days' notice to the person involved and reasonable opportunity has passed for that person to be heard, the Director in consultation with the County Attorney and the ~~County Supervisor~~ County Administrator, shall have the authority to debar a person for cause from consideration for award of prospective contracts. The debarment shall not be for a period to exceed three (3) years. The same officer, after consultation with the County Attorney and the ~~County Supervisor~~ County Administrator, shall have the authority to suspend a person from consideration for award of contracts if there is probable cause for debarment. The suspension shall not be for a period to exceed three (3) months. The authority to debar or suspend shall be exercised in accordance with the regulations contained herein.

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(ii) *Reasons for Debarment or Suspension of Bidders, Offerors, or Contractors.* The causes for debarment or suspension include without limitation the following:

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i. Conviction for commission of a criminal offense as an incident to obtain, or attempting to obtain, a public or private contract or subcontract, or in the performance of such Contractor subcontract.

ii. Conviction under State or Federal statutes for embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously and directly affects responsibility as a County Contractor.

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iii. Conviction under State or Federal antitrust statutes arising out of the submission of bids or proposals.

iv. Violation of contract provisions as set forth herein, of a character which is regarded by the Director to be so serious as to justify debarment action:

- a) Deliberate failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract, or
- b) A recent record of failure to perform, or of unsatisfactory performance, in accordance with the terms of one (1) or more contracts if failure to perform, or unsatisfactory performance caused solely by acts beyond the control of the Contractor shall not be a basis for debarment.

v. Any other cause the Director determines to be so serious and compelling as to affect responsibility as a County Contractor, including debarment by another governmental entity for cause.

~~v~~vi. vi. For violation of the ethical standards set forth in the State Ethics Act.

vii. Failure to pay uncontested or unappealed but delinquent, real or personal property taxes. These taxes are meant to include those taxes, assessments and penalties for which the County Treasurer has issued his tax execution to the Delinquent Tax Collector. However, this is not deemed to include tax assessments that are actually under formal appeal, or in litigation, at the time the debarment or suspension decision is made.

~~(iii)~~ Decision. The Director shall issue a written decision to debar or suspend. The decision shall:

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- a) State the reasons for the action taken, and
- b) Inform the debarred or suspended person involved of their rights to administrative review as provided in this Manual.

A copy of the decision shall be mailed or otherwise furnished immediately to the debarred or suspended person, and any other party intervening. A decision under this Section shall be final and conclusive unless fraudulent, or the debarred or suspended person appeals administratively to the County Supervisor County Administrator.

~~(iv)~~ *Time of Decision, Prohibition from Accepting Bids or Offers from Person(s) Where Contract is Terminated.* In addition to the authority to suspend or debar, the Director is further and expressly authorized to suspend a Bidder, Offeror or Contractor after submission of a bid or response to a solicitation where the Bidder, Offeror or Contractor is not determined to be subject to debarment or suspension until after the bid or response has been filed with the County. Where the County has terminated a contract, or contracts, with a person for cause or due to the failure or inability of the person to properly perform, the Director may not accept a bid or proposal for goods or services from such a person for a solicitation which either in whole or in part seeks a replacement or substitute for the goods or services which were the subject of the terminated contract. The Director may not accept a bid or offer from a person or company that is an affiliate, successor or assignee of the defaulting company or person, or which has an element of common management, ownership, or control with the terminated company.

C. Resolution of Contract Controversies

This Section applies to controversies between the County and a Contractor which arises under or by virtue of a contract between them. This includes without limitation, controversies based on breach of contract, mistake, misrepresentation or other cause for contract modification or rescission. The Director, after consultation with the County Attorney and the County Supervisor County Administrator, is authorized prior to commencement of an action in a court concerning the controversy, to settle and resolve any controversy described herein.

If such a controversy is not resolved by mutual agreement, the Director shall promptly issue a decision in writing. The decision shall:

- (a) State the reason for the action taken, and
- (b) Inform the Contractor of its right to administrative review as provided in this Manual.

A copy of the decision shall be mailed or otherwise furnished immediately to the Contractor. This decision shall be final and conclusive unless fraudulent or the Contractor appeals for administrative review by the ~~County Supervisor~~ County Administrator.

If the Director does not issue the written decision required under this Section within thirty (30) days after written request for a final decision, or within such longer period as may be agreed upon by the parties, then the Contractor may proceed as if an adverse decision has been received.

Any Bidder, Offeror or Contractor receiving an adverse decision may appeal this decision to the courts of the State of South Carolina.

VIII. DISPOSAL OF SURPLUS COUNTY EQUIPMENT

The Director shall be responsible for the disposal of junk, excess or obsolete materials and equipment such as automobiles, trucks, vehicle bodies, tractors, riding mowers, typewriters, etc. following appropriate approval, the Director will periodically (but no less than on an annual basis) offer such material for sale. Surplus items may be sold through a public auction or by sealed bids. The most appropriate method of disposal will be determined as required. Sales of surplus equipment will be advertised in a publication of general local distribution and through SCBO.

Outdated or used County equipment may be sold to other governmental entities provided the offer to buy is fair and reasonable. The sale must be approved in writing by the Department Head Director and the ~~County Supervisor~~ County Administrator.

IX. DISPOSAL OF COUNTY REAL ESTATE OR REAL PROPERTY

It is the policy of the County to offer for sale, at fair market value, all surplus real property owned by the County. Surplus real property may be sold to adjacent property owners only when, as determined by an appraiser's report, such property is usable only by the adjacent property owner(s). When the property is sold, adequate legal provisions shall be made so that no owner will be denied access to his or her property because of the sale. The County

Supervisor County Administrator shall set a minimum selling price for all appraised surplus properties and approved by County Council.

This section does not pertain to properties seized and held by the Chester County Forfeited Land Commission.

All surplus real properties must be appraised to determine fair market value.

The sale of any surplus real property must be approved by County Council through its ordinance process, including without limitation a public hearing. After Council has authorized the sale of specific surplus real property, the property shall be sold as follows:

- (i) *Publication.* The Director will advertise surplus properties at least twice in a publication of local distribution with the advertisement containing the minimum selling price and a request for offers-to-buy on a given date, no less than thirty (30) days and no more than seventy-five (75) days after first publication. Offers-to-Buy will be submitted to the Director to be opened on the specified date and time.
- (ii) *Acceptance or Rejection of Offers-to-Buy.* On all sealed offers-to-buy (bids), only the highest net offer after deducting any fees or commissions will be considered. The County will have thirty (30) days to accept or reject an offer-to-buy. Council may, by motion, extend the time for considering the offer to sixty (60) days. If no reasonable offers-to-buy are received, the selling price of such property may become negotiable.

X. INVENTORY CONTROL PROCEDURES

The Inventory Control policy establishes a process for the recording, identification and accountability of all County-owned assets of significant value that is relatively permanent. The Finance Director, along with the assistance of the Procurement Director and Risk Management, have the responsibility to maintain a system of equipment control to provide a safeguard against loss and to facilitate effective utilization. Equipment of the County is paid for by the County taxpayer and the County must then be good stewards of that equipment.

A. Asset Types

- (i) *Land.* Land includes the investment, held fee simple in real estate other than buildings and/or other improvements. All land, as defined, regardless of value or cost, should be capitalized.
- (ii) *Buildings.* Buildings include all County-owned buildings except those whose condition prevent their serving a present or future useful purpose. Permanently installed fixtures to or

within a building, such as boilers, lighting fixtures, and plumbing are considered a part of the building. The subsequent addition or minor fixtures and/or equipment to a building should be recorded as equipment. The costs of major improvements to a building, renovation of the building, etc., should be capitalized and recorded as part of the building asset value.

(iii) *Other improvements.* Other improvements are physical property of a permanent nature, including storage tanks, reservoirs, parking areas, park facilities, etc.

(iv) *Infrastructure.* Infrastructure assets are long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most other capital assets. Examples are roads, bridges, drainage systems and lighting systems.

(v) *Equipment.* Equipment includes movable property of a relatively permanent nature and of significant value, such as mobile equipment, office equipment, data processing equipment, machines, tools, and office furniture and fixtures. "Relatively permanent" is defined as a useful life of three years or longer. "Significant value" is defined as having an original cost of \$5,000 and over. The County may exercise the option to include other items for the purpose of maintaining appropriate accounting control. The cost may be applied in some instances to aggregates of units of similar type or purpose, such as groups of chairs, shelving, filing cabinets, etc., rather than to the individual unit itself. Exceptions to the \$5,000 value and the one-year life rule will be applied consistently.

B. Maintenance of Fixed Assets Inventory List

The County shall maintain an inventory of its capital assets. The capital assets list will be maintained by the Finance Director for the purpose of:

- (i) Safeguarding the County's capital investment;
- (ii) Fix responsibility for the custody of the equipment;
- (iii) Assist in formulation of acquisition and retirement policies through accumulation of data regarding prices, sources of supply and useful life; and
- (iv) To provide data for financial reports, including funding reports for replacement needs.

Capital assets are tangible assets of significant value having a useful life that extends beyond a reasonable time period as defined by the County. The capital assets included in the County's accounting system are land, buildings, other improvements, infrastructure and equipment.

The County Finance Director shall utilize an appropriate property and equipment control system to meet the need for detailed information as to particular identification of the property or equipment and the costs, the depreciation, the assignment and the location of the

equipment for assets of a value of \$5,000.00 or more. The Finance Director or his designee shall conduct an annual inventory of all equipment assigned to each Department/unit location. The responsibility for equipment accountability is assigned to the Department Head Director. The policy requires:

- (i) All items of equipment to be brought under control shall be identified by an assigned fixed asset number as required below.
- (ii) Periodic physical inventories, at least once annually, shall be taken of all items of equipment placed under a fixed control number.
- (iii) Equipment utilization controls shall be maintained for significant items, whether they are in the form of daily usage records or simple periodic observations to provide a safeguard against loss and to facilitate effective utilization.
- (iv) No item of equipment should be permitted to leave the premises without a pass signed by the proper authority. This includes equipment intended for other County locations and signed off by the Department Head Director for removal and return.
- (v) Department Head Director shall be administratively responsible for any equipment assigned to their Department. The equipment assigned should not be permanently transferred without written approval of the County Supervisor County Administrator and the Finance Director.

~~(v)~~(vi) (vi) *Inventory Components.* To be included in an inventory, an item should:

- a) Chester County property;
- b) Include items of furniture, electronic equipment, machinery, vehicles and apparatus which may be used repeatedly without any material impairment of physical condition and which have a probable life of more than three (3) years;
- c) Include items that Chester County is leasing or renting, if the lease is applied toward the purchase of the item and is determined to be a capital lease.

(vii) *Non-Inventory Items.* The following should not be included in a physical inventory:

- a) Items that are purchased by a grant or contract for which the County does not hold title;
- b) Personally owned items;
- c) Expendable items;
- d) Items that are considered permanent attachments to a building, e.g., light fixtures, built-in cabinets, permanently installed heating and cooling apparatus and carpeting.

Generally, all equipment purchases in excess of \$5,000 must be placed under control. Different levels of equipment control can be established.

(viii) *Receipt of New Equipment.* When new equipment is received by the County, the Procurement Director shall verify that the item description is identical to the item as described on the purchase order issued to the Vendor, tag the equipment or work with the Department [Head-Director](#) to get the equipment verified and tagged.

(ix) *Equipment Information.* Information regarding new and existing equipment should include without limitation:

- a) Description;
- b) Serial or manufacturer identification number;
- c) Original cost;
- d) Purchase Order Number;
- e) Acquisition date;
- f) Disposition date where applicable;
- g) Category;
- h) Department to which equipment is assigned;
- i) Person assigned responsibility for the equipment;
- j) Location – building and area of the building where equipment is kept or used.

(x) *Changes in Status of Equipment.* All status changes to equipment are to be reported by the Department [Head-Director](#) immediately as they occur as follows:

- a) Whenever an equipment item is temporarily (less than six (6) months) transferred between locations, the Department initiating the transfer must keep a record of its new location. The new location must be reported to the Finance Director and Risk Management.
- b) Whenever an item of equipment is to be permanently transferred to another location, this must be reported by the Department [Head-Director](#) to the Finance Director and Risk Management.
- c) Whenever an item of equipment is found missing or believed to be stolen, this must be reported immediately to the Sheriff's Office, the [County Supervisor/County Administrator](#), the Finance Director and Risk Management.

(xi) *Surplus Property Disposal.* Notwithstanding the process previously outlined herein under Section VII and Section VIII, the following will be required for inventory control purposes:

- a) The Department [Head-Director](#) will evaluate the condition of the item(s) and assign condition as obsolete, poor or scrap.

- b) The item(s) will be disposed of in accordance with this Manual.
- c) The Department Head-Director will be responsible for the removal of the asset control tag and returning it to the Procurement Director.
- d) Upon being advised of the disposition of the asset, the Finance Director will retire the asset(s) from the Inventory Control system.
- e) An annual report of surplus sales shall be submitted prior to the conclusion of the fiscal year to Chester County Council, the Finance Director and Risk Management by the Procurement Director.

C. Development and Assignment of Fixed Asset Control Numbers

Capital assets shall be categorized into several classification groups based on type and use of the items. These groups shall be defined and maintained on file in the Procurement and the Finance Departments.

Capital assets will be assigned control numbers and will be added to the capital asset inventory list immediately following invoice payment to ensure that a current and accurate listing is maintained.

D. Department Review of Capital Asset Listing

On an annual basis, Department Head-Director will be issued a copy of the Asset listing for their respective Department(s). This asset report shall be thoroughly reviewed, noting changes, additions, or deletions to be made to the inventory system. The inventory system will be revised based on information received from each department. A copy of the revised information will be provided to Procurement and Risk Management for the purpose of updating their records and/or insurance coverages.

XI. ELECTRONIC PROCUREMENT AND COMMERCE

A. Electronic Procurement

The Director may participate in securing goods and services as provided in this Manual by means of electronic procurement where sealed bids are not required. Examples of the type procurement may include without limitation:

1. Reverse auction where bids are permitted until the lowest bid is identified;
2. Acceptance of RFP and RFQ electronically;
3. Establish a chat room for meeting of Bidders, Offerors and Contractors;
4. Establish a FAQ site which relates to a specific bid or proposal.

B. Electronic Record

S.C. Code of Laws §26-5-520 states that an electronic record is deemed to be secure if:

1. It is created by application of a security procedure that is commercially reasonable and agreed to by the parties;
2. The electronic record can be verified not to have been altered since a specified point in time.

C. Electronic Signature

S.C. Code of Laws §26-5-510 states that an electronic record is deemed to be secure if:

1. It is created by application of a security procedure that is commercially reasonable and agreed to by the parties;
2. The electronic signature can be verified by use of a procedure that is recognized and approved by the parties;
3. When not previously agreed to by the parties, the electronic signature is:
 - a. Unique to the party using it; and
 - b. Capable of identifying such party; and
 - c. Created in a manner or using a means under the sole control of the party using it; and
 - d. Linked to the electronic record to which it relates in a manner such that, if the record is changed, the electronic signature is invalidated.

D. Electronic Commerce

The Director may participate in securing goods and services through means of electronic commerce whereby quotes and solicitations for the purchase of goods or services is done through a business' electronic "store".

E. Security of Records

All records received electronically will be maintained electronically in a secure location and retained in original format.

XI. CREDIT CARD PURCHASES

A. Authorized Use

Commented [KD36]: Add Fuel Credit Card section. Needs to contain verbiage stating the purpose of the fuel card, uses, and prohibited uses. Fuel cards are issued for every county vehicle and are to remain in the assigned vehicle. Fuel cards are only to be used to obtain fuel by county employees that are issued a PIN number from the Purchasing Department. PIN numbers are not allowed to be shared. The cards are not to be used for high octane gas (unless approved by Auto Maintenance), food, or car washes.

Credit cards are issued to certain personnel (the "authorized user") within the County who are authorized to use such cards for appropriate purchases for their Department and who frequently purchase commodities and services. A frequent purchase is defined as using a card at least once in a three (3) month period. The employee who has been authorized to use the credit card is the only person authorized to use the card. **Chester County credit cards cannot be used at any time for personal purchases.** Any employee allowing others to use the County credit card or who has used the County credit card for personal use may be subject to disciplinary action, up to and including termination. The authorized user will notify the Finance Director and/or Accounts Payable for any loss or expiration of the credit card.

The total cost of any transaction must not exceed the established single transaction limit. A single purchase may be comprised of multiple items purchased in one transaction. All items purchased to meet a single requirement must be purchased in one transaction. A single purchase shall not be split into two or more transactions to stay within the single transaction limit.

B. Prohibited Use

Credit cards shall not be used under any circumstances for the following:

- (i) Cash Advances;
- (ii) Gift cards;
- (iii) Rental or lease of land or buildings;
- (iv) Utilities (i.e., telephone services, telephone calls, etc.);
- (v) Alcoholic beverages or tobacco products;
- (vi) Non-business entertainment expenses;
- (vii) Sales tax;
- (viii) Square technology or third-party billing vendor set up in an individual's name; (ix) Third-party billing vendor fees, and (x) Credit card fees or surcharges.

Unless otherwise approved in writing by the County Supervisor County Administrator and/or the County Treasurer or his designee, credit card accounts shall not be used for the following:

- ~~(i)~~ ~~Food~~;
- ~~(ii)~~(i) Fuel, and
- (ii) Any other items currently under a master contract or prohibited from purchase by County policies.

Commented [KD37]: Food should be allowed to purchase with the county credit card without the approval of the County Supervisor or Treasurer. Ex: Clerk of Court uses the credit card to purchase food for court, other departments purchase food for meetings. If we need to add something to the language we can use the following... can be approved by the Procurement Director.

Fuel Cards shall be issued to each County vehicle and the card must remain in the vehicle to which it was issued. PIN numbers are assigned to each fuel card and may not be shared with others. Fuel cards are for gasoline fillups only and may not be used for high octane fuel (unless required by Auto Maintenance, food, or car washes.

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(iii)

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C. Responsibility of Finance Director

The Finance Director or his designee shall be responsible for the following with regard to the County credit card:

- (i) Monitor all disputed purchases, credits and billing errors;
- (ii) Provide all new requesting Department cardholders the internal controls, transaction review and approval procedures prior to their usage of the card;
- (iii) Collect expired cards and distribute renewal cards;
- (iv) Assist in requesting Department's reconciliation;
- (v) Monitor for appropriate purchases on the card to ensure that all purchases are directly related to the mission of the County and serve a public purpose and to contact the appropriate individual or Department Head Director where clarification may be required, and (vi) Obtain original detailed invoices or itemized receipts for all purchases.

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D. Procurement Requirements

Employees making purchases on a County-issued credit must follow established procedures and guidelines for procurement including without limitation the requirement for bids and the need for a purchase order.

At no time should items on back order be charged to a credit card.

Purchasing authority must instruct the vendor to charge the card account at the time of shipment or when services are rendered so the commodities/service is received before the charge is posted to the account. The purchasing authority will confirm that the vendor is properly licensed and insured as required by the area of discipline at the time the service/commodities is delivered.

Purchasing authority must report lost cards or potentially fraudulent activity **immediately** to the Finance Director and/or Accounts Payable.

Authorized users are required to follow the following procedures:

- All transactions must be supported by original detailed or itemized receipt or invoice listing what was purchased, unit cost, number of units purchased, total cost, vendor name, etc. and any other applicable back-up documentation.
- Invoices and receipts that list the entire card account number and expiration date are to be adjusted so that only the last four digits of the card account number are listed. An appropriate adjustment would be to cross out or white out the numbers and expiration date.
- The vendor name listed on invoices and receipts should match the credit card statement.

E. Infractions of Policy/Procedure

The Finance Director reserves the right, dependent on the degree of the infraction, to impose any of the actions below when an infraction of the policy and/or procedure is suspected:

- The Finance Director has the authority to deactivate a credit card account pending the completion of a review;
- The cardholder will be notified that an account is under review and pending investigation;
- The use of a County-issued credit card may be deactivated, suspended or cancelled;
- The authorized user may be issued a written warning;
- The authorized user may be placed on a 30-day suspension during which all charging privileges are suspended;
- The authorized user may be placed on a ninety (90) day suspension during which all charging privileges are suspended;
- The authorized user may be placed on a one-hundred eighty ((180) day suspension during which all charging privileges are suspended;
- The authorized user is terminated from being an authorized user, and
- Discipline up to and including termination of employment in accordance with this policy and the Employee Handbook of Chester County.

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The offending employee may also be subject to:

- Reimbursement to the County for any non-approved purchase(s). The purchase(s) would then become the property of the County.
- Subject to legal action by the County.

- The requirement of South Carolina sales tax if the purchase is deemed to be outside of the realm of a purchase for public purposes.

F. Termination of Cardholder

When a cardholder or authorized user ends employment with the County, the Human Resources Director is responsible to notify the Finance Director and/or Accounts payable **immediately**. The Human Resources Director will collect the credit card at the termination meeting and submit the credit card to the Finance Director and/or Accounts Payable thereafter. If the Human Resources Director is unable to collect the credit card when an employee is terminated, the Human Resources Director must immediately notify the Finance Director and/or Accounts Payable who will ensure that the credit card is terminated. Where the authorized user leaves the County voluntarily, that employee will be required to coordinate reconciliation of the card activity prior to ending employment.

XII. _____

Appeals

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A. Bid Protests

Any actual or prospective bidder, offeror, or contractor who is aggrieved in connection with the connection with the solicitation or award of a contract may protest in writing to the Director of Contracts and Procurement within fifteen (15) days of the date of the issuance of the Requests for proposals or other solicitations documents, whichever is applicable or any amendment thereto if the amendment is at issue. Protestors are urged to seek resolution of their complaints initially with the Director of Contracts and Procurement. A protest with respect to a request for bids or request for proposals shall be submitted in writing prior to the opening of bids or the closing date of proposals, unless the aggrieve person did not know and could not have known of the facts giving rise to such protest prior to bid opening or the closing date for proposals. The protect shall be submitted within ten (10) calendar days after such aggrieved person knows or should have known of the facts giving rise thereto.

In the even of a timely protest, the Director will not proceed further with the solicitation or award of the contract until all administrative and judicial remedies have been exhausted.

B. Contract Claims

All claims by a contractor against the County relating to a contract, except bid protest, shall be submitted in writing to the Director for a decision. The Director may request a conference with the purchasing agent on the claim. Claims include without limitation disputes

arising under a contract, and those based upon a breach of contract, mistake, misrepresentations or other cause for contract modification or rescission.

The decision of the Director will be promptly issued in writing and mailed or otherwise furnished to the contractor. The decision will state the basis for the decision and will inform the contractor of its appellate rights.

The Director's decision will be final and conclusive unless within ten (10) calendar days from the date of the receipt of the decision, the contractor mails or otherwise delivers a written appeal to the Director or the commencement of an action in a court of competent jurisdiction.

Purchases of \$500.00 or less where normal purchasing processes are not practical: Department Directors and Elected Officials may make purchases from approved vendors but must get a purchase order within 2 business days after making the purchase.

For purchases up to \$10,000.00, there must be a minimum of one (1) written quote from a qualified source of supply and there must be an approved purchase order in accordance with the procurement policies in this Manual. The purchases must be distributed equitably among qualified suppliers when practical.

For purchases of \$10,001.00 through \$25,000.00, there must be written quotations from no less than three (3) qualified sources of supply and there must be an approved purchase order in accordance with the procurement policies in this Manual. These purchase orders shall be signed by the Procurement Director and the County Administrator or his/her designee. Under rare circumstances, if the Department Director has done his/her due diligence and is unable to obtain three (3) quotes, only the Director or County Administrator can approve the purchase using one (1) or two (2) quotes.

For purchases of \$25,000.01 through \$100,000.00 there must be a written solicitation of the product or project and we must receive written quotes from at least three (3) sources which can be emailed to the Procurement Director. The solicitation can be advertised in SCBO, emailed to vendors, or other means of reaching vendors.

Any Purchase Orders, contracts, or agreements with a minimum total cost of One Hundred Thousand Dollars and One Cent (\$100,000.01) or more must be procured through the sealed bidding process and shall be submitted to the County Council for their approval. Such purchases must be documented with sealed written quotations from no less than three (3) qualified sources (unless approved by county council) and approval by the Procurement Director and the County Administrator that the procurement is to the advantage of the County and that there have been enough funds budgeted for the purchase. The County does reserve the right to limit or "short-list" bidders for such procurements, as is in the best interest of the County. Local Preference: This allows the lowest local (Chester County) Bidder whose bid is within seven percent (7%) of the lowest non-local Bidder to be awarded the project with the approval of County Council.

Exceptions: The purchase of commercially available off-the-shelf (in stock) vehicles with upfit packages as well as equipment in the amount of One Hundred Thousand Dollars and No Cents (\$100,000.00) and under can be purchased without additional quotes or using the bidding process. When purchasing multiple vehicles/equipment, and when not available on any type of state contract, the county reserves the right to purchase multiple vehicles/equipment on one Purchase Order after receiving quotes from three (3) sources and accepting the low price even when the price exceeds \$100,000.00.

CLEAN VERSION OF PROCUREMENT POLICY



CHESTER COUNTY PURCHASING AND CONTRACTING POLICIES AND PROCEDURES MANUAL

Adopted on July __, 2023

Introduction

The Chester County Purchasing and Contracting Policies and Procedures Manual is adopted pursuant to the Chester County Procurement Ordinance (§26-136, et seq.) and pursuant to S.C. Code §11-35-50 and may be referred to as the “County Procurement Code.” The Procurement Code shall be implemented by the County Administrator who is authorized to issue regulations consistent with this Code. (S.C. Code §4-9-160. §11-35-50). The Procurement Code was developed to provide fair and equitable treatment of all persons involved in public purchasing by the County, to maximize the purchasing value of public funds in procure, and to provide safeguards for maintaining a procurement system of quality and integrity.

It is the goal of Chester County to fairly, equally and impartially administer its procurement program based on the guidelines set forth in this Manual. The County does not discriminate against any vendor based on race, color, religion, national origin, sex, age, disability, or veteran status in any area of the procurement process.

Any interpretation of the procedures outlined in this manual is the responsibility of the Procurement Director, subject to the guidance and supervision of the County Administrator and the County Attorney.

This Manual supersedes and replaces all previously developed procurement policies adopted by the County whether by resolution or ordinance, and will continue to be subject to periodic revision subject to the final approval of the County Council. The Manual is a fluid document and may be amended from time to time by County Council.

I. GENERAL

A. Applicability

This Procurement Policy and Procedure Manual applies to contracts for the procurement of supplies, services, and construction needed by the County. It shall apply to every expenditure of public funds irrespective of their financial sources, unless specifically exempted by County ordinance or State or Federal law. Nothing in this Manual shall prevent any County department or agency from complying with the terms and conditions of any grant, gift, or request which is otherwise consistent with existing County ordinances or State or Federal laws. When the procurement involves the expenditure of federal assistance or contract funds, the procurement shall be conducted in accordance with any mandatory applicable federal law and regulation.

B. Objective

The overall goal is to maintain a continuous supply of goods and services in support of Chester County. Purchasing seeks to identify and acquire supplies in a timely fashion at the lowest cost consistent with the desired quality and being environmentally friendly for both the short and long-term interests of the County.

C. Contract Authority

Any Purchase Orders, contracts or agreements with a minimum total cost of One Hundred Thousand Dollars and One Cent (\$100,000.01) or more must be procured through the sealed bidding process and shall be submitted to County Council for their approval. Such purchases must be documented with sealed written quotations from no less than three (3) qualified sources of supply (unless approved by County Council or exempted by policy herein) and approval by the Procurement Director and the County Administrator that the procurement is to the advantage of the County and that there have been enough funds budgeted for the purchase. The County does reserve the right to limit or "short-list" bidders for such procurements, as is in the best interest of the County. **Local Preference Stipulation:** This permits the lowest local (Chester County or its municipalities) Bidder whose bid is within seven percent (7%) of the lowest non-local Bidder to be awarded the project with the approval of County Council.

Exceptions: The purchase of commercially available off-the-shelf (in stock) vehicles with upfit packages as well as equipment in the amount of One Hundred Thousand Dollars and No Cents (\$100,000.00) and less can be purchased without additional quotes or without the bidding process. When purchasing multiple vehicles/equipment, and when not available on any

type of state contract, the County reserves the right to purchase multiple vehicles/equipment on one Purchase Order following the receipt of quotes from three (3) sources and accepting the low price even when the price exceeds \$100,000.00.

For purchases of \$25,000.01 through \$100,000, there must be three (3) written quotations from qualified sources and a certification by the Director and the County Administrator that the procurement is to the advantage of the County and that there have been sufficient funds budgeted for the purchase. Written solicitation can be advertised in SCBO, emailed to registered vendors or by other means of reaching vendors.

For purchases of \$10,001.00 through \$25,000.00, there must be written quotations from no less than three (3) qualified sources of supply and there must be an approved purchase order in accordance with the procurement policies in this Manual. These purchase orders shall be signed by the Procurement Director and the County Administrator or his/her designee. Under exigent circumstances and where the Department Director has conducted due diligence and is unable to obtain three (3) quotes, only the Director or the County Administrator can approve the purchase using one (1) or (2) quotes.

For purchases of up to \$10,000.00, there must be a minimum of one (1) written quote from a qualified source of supply and there must be an approved purchase order in accordance with the procurement policies in this Manual. The purchases must be distributed equitably among qualified suppliers when practical.

Purchase of \$500.00 or less where normal purchasing processes are not practical: Department Directors and Elected Officials may make purchases from approved vendors but must get a purchase order within two (2) business days following the purchase.

Blanket purchase procurements must be approved by the County Administrator and/or the Director for repetitive small purchases on a charge account basis not requiring a purchase order for each purchase and are limited to small purchases not to exceed \$2,500.00. Medical supplies, inmate food, and rock (gravel) are exempt from the dollar limit on blanket purchase orders.

Sole source procurements must be approved by the the Director where there is only a single supplier, compatibility of equipment or parts as a paramount consideration, the item is one of a kind, or the procurement is for printed material. A letter of verification that the vendor is a sole source provider shall be submitted prior to such approval.

Procurements in emergency situations declared by the County Administrator to involve a threat to public health, safety, or welfare must be approved by the County Administrator and do not have to follow the procurement procedure.

Approval levels and procedures are further outlined in this Manual.

D. Prohibited Contracts

The County and its agencies are prohibited from entering into any contract, lease or agreement, that would result in pecuniary gain for an employee or officer of the County, or an employee, officer or member of any County agency. The County shall be prohibited from entering into a contract, lease or agreement resulting in pecuniary gain for a member of the family of an employee or officer of the County or a member of the family of an employee, officer or member of any County agency. "Family member" shall be defined as being within the third degree of consanguinity or affinity.

Where a contract, lease or agreement has been negotiated through a strict process of public notice and competitive bidding, or through a request for proposals, and the existence and degree of familial relationship has been disclosed in writing in the original bid or proposal, and it appears that the award of such contract, lease or agreement would be in the best interest of the County, the prohibitions set forth herein may be waived by a majority vote of County Council. Such majority vote is satisfaction that County Council accepts such contract, lease, or agreement by a majority vote, if it is shown on the record that such familial relationship exists.

Employees engaged in the purchasing function are expected to be free of interests or relationships that are or potentially detrimental to the best interest of Chester County, and shall not engage or participate in any commercial transactions involving the County. Any employee who has assumed or is about to assume a financial or other outside business relationship that might involve a conflict of interest must immediately inform the County Administrator of the circumstances involved. This information is to be reviewed at an appropriate level for a decision on whether a conflict exists and, if so, what course of action is needed. A conflict of interest exists when an employee:

- Has an outside interest that materially impacts the time or attention that should be devoted to the affairs of the County;
- Has a direct or indirect interest in a relationship with an outsider that is inherently unethical or might be implied or construed to be or make possible personal gain due to the employee's ability to influence decisions; render the employee partial toward the outsider for personal reasons or otherwise inhibit the impartiality of the employee's judgment; place the employee or the County in an embarrassing or ethically questionable position; or negatively reflect on the integrity of the County;
- Takes personal advantage of an opportunity that properly belongs to the County;
- Uses County property without approval;

- Discloses County proprietary information to unauthorized persons.

Employees of Chester County act within the scope of “express authority” and are neither negligent, dishonest, nor acting in bad faith and are then not likely to become personally liable for such actions. Personal liability may occur, however, if the scope of business authority is exceeded. Where this occurs, the seller generally has no recourse to the County since no valid contract exists. The recourse available to the seller becomes against the employee personally. All employees should avoid being placed in that position.

E. Ethics

Employees of Chester County are expected to be free of interests or relationships that are or potentially detrimental to the best interest of Chester County and shall not engage or participate in any conduct that would be in violation of ethics. In addition to the prohibitions listed above, employees of Chester County may not:

- Personally accept loans; moneys or other special considerations from an individual or business organization doing business with the County;
- Accept gifts, other than advertising novelties, entertainment or gifts of de minimus value;

Any employee offered or receiving payments, gifts or other consideration shall refuse it to the giver in a tactful manner, referring the giver to the policy prohibition. When in doubt, employees should ask prior to accepting any gift.

F. Compliance with County Finance and Federal Requirements

Where a procurement involves the expenditure of County funds which have been previously budgeted, the Contracts and Procurement Director and other applicable County personnel shall comply with the procedures as they relate to the disbursement of funds and/or management of projects where appropriate documentation for the expenditure is submitted in a timely and appropriate manner.

Where a procurement involved the expenditure of funds, which are the proceeds of bonds or other financing instrument, the Contracts and Procurement Director and other applicable County personnel shall comply with the terms of such financing.

Where a procurement involves the expenditure of Federal assistance or contract funds, the Contracts and Procurement Director shall comply with such Federal law and authorized regulations which are mandatorily applicable but may not appear in this Manual.

In all procurement actions for the County, the provisions of South Carolina Code of Laws §8-13-10, et sec (S.C. State Ethics Act) shall be complied with at all times. The acceptance of any gratuity in the form of cash, merchandise, or any other thing with a value exceeding twenty-five dollars (\$25.00) by an employee of the County from any person, firm or corporation to which any purchase contract is or might be awarded, shall be deemed a violation of this Manual and the corresponding County Ordinance, and may subject that employee to disciplinary action, up to and including termination. The offer of any gratuity by any actual or prospective vendor or contractor shall be cause for cancelling any contract involved, or for voiding any potential future relationship with that vendor or contractor, and for declaring the vendor or contractor ineligible for further bidding with the County.

G. Anti-Trust

The County operates in strict compliance with anti-trust laws such as the Sherman, Clayton and the Federal Trade Commission Acts, in any area of the County government's operations where violations may have significant negative impacts on its ability to conduct business, and which may lead to expensive litigation, damages and penalties. Any employee of the County who participates in a violation of these laws is individually and personally subject to fine or imprisonment.

II. Definitions

Addendum – A change or modification to achieve correctness. An addendum is also an alteration, modification, deletion or addition to a solicitation document such as an Invitation for Bids. An addendum must be in writing.

Amendment – A revision or change to a document, generally the contract; often used to correct a solicitation.

Award – The presentation of a Purchase Order or contract to a bidder or the acceptance of a bid or proposal.

Bid Bond – An insurance agreement in which a third party agrees to be liable to pay a certain amount of money if a specific successful bidder fails to sign the contract as it was bid.

Blanket Purchase Order – An arrangement under which a purchaser contracts with a supplier to provide an item(s) or a service(s) on an as-needed basis. Properly prepared, such an arrangement sets a limit on the period it is valid and the maximum amount of money that may be spent within a specified period.

Bidder - A Business Enterprise that submits a bid in response to any County solicitation.

Business Days – Days on which the Administrative offices of the County are open for the public to conduct business.

Business/Business Enterprise – A legal entity operated for profit that is properly licensed, as applicable, and registered to do business in the State of South Carolina as a corporation, limited liability company (LLC), partnership, sole proprietorship, joint-stock company, joint venture, professional association or other formation recognized by the State. The term shall also include any nonprofit corporation duly registered with the State and possessing a 501(c)(3) designation from the Internal Revenue Service.

Certification – Completion by a Business Enterprise of the application process and subsequent approval by the Small Business Enterprise (SBE) Program Manager for participation of the Business Enterprise in the SBE Program.

Change Order (bilateral) - An agreed upon written order to a Contractor executed by the County and the Contractor following execution of a base contract, directing a change in the work which may include a change in the contract price, the time for Contractor's performance, or any combination thereof.

Change Order (unilateral) – A written order issued by the Procurement Director or the Director's designee, directing the Contractor to make changes which the contract authorizes the County to order without the consent of the Contractor.

Competitive Bidding – The submissions of offers by individuals or firms competing for a contract, privilege or right to supply merchandise or services.

Competitive Sealed Bidding – A method of procurement that requires the following elements: issuance of an invitation for Bids with a purchase description/specifications, acceptance criteria and all contractual terms and conditions applicable to the procurement; a public, contemporaneous opening of bids at a pre-designated time and place; an unconditional acceptance of a bid without alteration or correction except as authorized in this Manual; and an award to the most responsive and responsible bidder who has submitted the lowest bid that meets the requirements and criteria set forth in the Invitation for Bids.

Construction – The process of building, altering, repairing, improving, or demolishing any public structure, or building, or other public improvements of any kind to any public real property. It does not include the routine operations, routine repair, or routine maintenance of existing structures, buildings or real property.

Construction Management Services or Design-Build Services – Approaches to construction contract management that allow for the selection of a single firm to perform and/or manage the complete design and construction of a project.

Contract – All types of County agreements, regardless of what they may be called, that engage the procurement of supplies, services or construction and are enforceable by law.

Contract Modification – Any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity or other provisions of any contract accomplished by mutual action of the parties to the contract. Verbal contract modifications will not be recognized as valid by the County.

- Contractor** – Any person entering into a written agreement/contract with the County for the procurement of supplies, services or construction.
- Cost Analysis** – The evaluation of cost data for the purpose of arriving at costs actually incurred or estimates of costs to be incurred, prices to be paid, and costs to be reimbursed.
- Cost-Plus-A-Percentage-Of-Cost-Contract** – A cost reimbursement contract that prior to completion of the work the parties agree that the profit fee will be a predetermined percentage of the total cost of the work.
- Cost-Plus-Fixed-Fee-Contract** – A cost reimbursement that provides for the payment of a fixed fee to the Contractor. The fixed fee, once negotiated, does not vary with the actual cost but may be adjusted because of any subsequent changes in the Scope of Work or services to be performed.
- Days** – Calendar days unless specifically indicated to be business days.
- Debarment** – Where a supplier or contractor is prevented from consideration in the award of contracts. This may occur because the Contractor's name appears on either the Federal or State Department lists, contractor does not have the requisite licensing as required for the work/services, contractor is in arrears with payment to the Federal, State or local governments, or other reasons as determined by the County.
- Department Director** – The individual responsible for a department or agency of the County.
- Designee** – A duly authorized representative of a person/department/agency holding a superior position.
- Design Specifications** – A specification that sets forth physical characteristics in definitive terms.
- Disadvantaged Business** – A small business which is owned or controlled by a majority of persons, not limited to members of minority groups, who have been deprived of the opportunity to develop and maintain a competitive position in the economy because of social disadvantages.
- Elected Official** – Individuals duly elected into office who is responsible for a department, agency or function of the County.
- Electronic** – A means that is electrical, digital, magnetic, optical, electromagnetic, or any other similar technology.
- Emergency Purchase** – An immediate acquisition by a department to obtain goods or services to avoid a substantial hazard to life or property, or significant interruption of the operations of a County department. Such action may be taken by a Department Director on weekends or in the evenings, but every effort must be made to obtain the approval of the County Administrator or in his absence, the County Treasurer.
- Equal Opportunity** – Policies and procedures of the County to ensure non-discrimination and equal opportunity to all employees, especially women, minorities, and

persons with disabilities. Specific contract provisions may require nondiscrimination in employment by contractors and subcontractors.

Fixed-Price Contract – A price not subject to any adjustments through a commitment due to a previously agreed upon fixed cost by the Contractor prior to the performance of the contract.

Good Faith Effort – The requirement that prime Contractors make a documented effort, in “good faith”, to provide contract opportunities to small, minority-owned and woman-owned businesses in accordance with the policies of the County.

Governmental Body – Any department or agency of the County.

Invitation for Bid – A formal request to prospective vendors soliciting price quotations or bids in accordance with the procedures in this manual.

Joint Venture – A partnership or cooperative agreement between two or more businesses related to a single effort to secure a contract opportunity.

Minor Informality – Mistakes, excluding judgmental errors, that have negligible effect on price, quantity, quality, delivery, or other contractual terms, and the waiver or correction of such mistakes does not prejudice other Bidders or Offerors, or the County.

Offeror – One who submits a proposal in response to an RFP in competitive negotiation, or one who makes an offer in response to a solicitation.

Performance Bond – A bond that may be required as specified in the RFP or solicitation to ensure completion of the work or services proffered.

Prequalification – A process in which bidders/vendors/service providers are prequalified by responding to a solicitation to establish responsibility. This may include without limitation information regarding such factors as financial background, industry stability, capacity to perform, lines of credit, manufacturers’ authorizations, relevant experience, etc. This process may be used to short-list potential bidders prior to the bid let.

Procurement – Buying, purchasing, renting, leasing or otherwise acquiring any supplies, services, or construction. It may also include functions that pertain to the obtaining of any supply, service, or construction including, without limitation, a description of requirements, selection, and solicitation of sources, preparation and award of contract, and all phases of contract administration.

Procurement Agent or Buyer – The Director of Contracts and Procurement shall be the Procurement Agent or Buyer, or shall designate another employee in the Department to act in this role.

Professional Services – Professional services and consultant services include services that are of an advisory nature, provide personal expertise and/or a recommended course of action, and have an end product that is basically a transmittal of information related to County programs or operations. Classification as professional services may also require an advanced, specialized

type of knowledge, expertise or training customarily acquired either by a prolonged course of study or equivalent experience such as accountants, physicians, investigators, attorneys, architects, surveyors, or engineers.

Public Notice – The distribution or dissemination of information using methods that are reasonably available to interested parties. Such methods may include, at the discretion of the County, publication in newspapers of general circulation, electronic or paper mailing lists, and website(s) designated by the County.

Purchase Order – A written document prepared by the buyer and provided to a supplier formally stating all terms and conditions of procurement and in accordance with the procedures and policies in this Manual.

Quotation – A statement of price, terms of sale, and description of goods or services offered by a supplier to a prospective purchaser; the stating of the current price of a commodity.

Request for Proposals (RFP) – A request made through Public Notice for the submission of proposals based on a generalized Scope of Work with contract award to the responsible person(s) submitting the most advantageous and responsive proposal.

Request for Quotations (RFQ) – A request made through Public Notice for the submission of written quotations without formal advertising and requirement for sealed bids.

Responsible Bidder or Offeror – A Bidder who has the capacity in all respects to perform fully any contract requirements and who meets all other requirements of the County which will assure a good faith performance, and which may be substantiated by past performance.

Responsive Bidder or Offeror – A Bidder who has submitted a bid or offer which conforms in all material aspects to the solicitation.

Short-List – The ability of the County to limit the number of invited Bidders to an RFP or RFQ when it is in the best interest of the County to do so.

Specifications – A detailed statement of particulars prescribing dimensions, materials, performance, quality of work, etc. for something to be purchased, built or installed.

Small Business – A U.S. business which is independently owned, and which is not dominant in its field of operation or an affiliate or subsidiary of a business dominant in its field of operation.

Sole Source Purchase – An award for a commodity or service that can only be purchase from one supplier, usually because of its technological, specialized, or unique character.

Solicitations – Purchasing processes designed to seek and obtain goods and/or services including Request for Quotations (RFQ), Invitation for Bids (IFB), and Request for Proposals (RFP).

Subcontractor – A Business Enterprise that either directly contracts with a Contractor or directly contracts with another Subcontractor under such Contractor, to provide

services or perform work relating to a contract. May also be referred to as “Vendor” interchangeably.

Substantial Performance – Exists when the Contractor has performed all material requirements of the entire contract or a divisible portion thereof, such that the underlying purpose of the contract has not been substantially impaired.

Supplier – A Business Enterprise that either directly contracts with a Contractor or directly with a Subcontractor under such Contractor, to provide materials, supplies, or equipment in connection with a contract. A supplier may be a regular dealer, manufacturer, or broker. May also be referred to as “Vendor” interchangeably.

Termination for Cause – An exercise of the County’s contractual right to completely or partially terminate a contract because of the Contractor’s failure to perform its contractual obligations. Generally, County procurement will only support a “Termination for Cause” if the Contractor has failed to Substantially Perform. Contracts are not usually terminated because a Contractor does not completely or perfectly perform (minor non-performance issues remain). Contracts may be “Terminated for Cause” due to minor non-performance issues when the contract documents expressly require perfect performance.

Termination for Convenience – An exercise of the County’s right to terminate or cancel performance of work under contract, in whole or in part, if the County determines that termination is in the best interest of the County.

III. DEPARTMENT OF CONTRACTS AND PROCUREMENT

A. Creation

The County has created the Department of Contracts and Procurement (“Procurement”) to assure that purchases for the County are made in compliance with County Ordinance and other policies governing these actions. The acquisition of supplies, equipment and services necessary for the everyday operation of the County is the responsibility of this Department operating under the direct supervision of the Director of Contracts and Procurement. This Department serves as an important cross functional ally supporting operating groups within the County as they strive to meet needs and achieve mandates since the Department represents the primary contact between the various functions and their suppliers.

Procurement is the only unit in the County authorized to procure supplies, materials, equipment and contractual services required by the Departments except as provided by County Council through its ordinance, the exemptions outlined in this Manual, and the policy on petty cash. The County Administrator or his/her designee and the Director are the only individuals authorized to sign purchase orders or contracts on behalf of the County.

Any individual who enters into an agreement on behalf of the County without prior authorization or the signature of either the County Administrator and/or the Director may be assuming personal liability for such commitment. So long as employees of the County act within the scope of “express authority” and are neither negligent, dishonest, nor acting in bad faith, then the employees are not likely to become personally liable for such actions. Personal liability may occur, however, if the scope of business authority is exceeded. Violations shall be reported immediately to either the County Administrator or the Director who will investigate and based on the findings of the investigation, shall take appropriate action with the appropriate individual. Individuals reporting valid violations shall not be subjected to retaliation.

B. Director of Contracts and Procurement

The County has created the position of Director of Contracts and Procurement (“Director”) who will be the County’s principal procurement official for the purpose of entering into contracts for the procurement of goods and services. The Director shall be selected in accordance with County personnel policies and procedures, will be a full-time public employee of the County and shall report to the County Administrator.

The Director shall be responsible for establishing and administering purchasing policies; establishing professional relationships with current or potential vendors, initiating reports necessary to permit analysis of purchasing performance; negotiating and recommending contracts; consolidating purchases of like or common items, and analyzing prices paid for materials, equipment, and services.

The primary objectives for the Director include, without limitation:

1. Procure for the County, the highest quality supplies, equipment, and services for the least possible cost;
2. Promote an understanding of sound purchasing policies and procedures throughout all departments, divisions and agencies of the County;
3. Determine the most efficient and economical means of obtaining an item or service without sacrificing the controls and principles of sound purchasing;
4. Assist in developing competitive specifications for use by all departments, divisions and agencies;
5. Maintain awareness of improved purchasing practices utilized by private industry and other governmental entities, and apply such practices when feasible with the approval of the County Administrator;
6. Encourage competition and endeavor to obtain full and open completion on all purchases;

7. Maintain and update forms as necessary for the successful operation of the Department;
8. Establish vendor accounts to include, without limitation, completed W-9 forms, and all Certificates of Liability required, and to ensure that Accounts Payable is provided with all vendor documentation prior to the issuance of any Purchase Order to vendor;
9. Exchange ideas and information with other local government procurement departments to solve common procurement problems;
10. Exercise control over surplus, excess, and dilapidated materials;
11. Coordinate with departments, divisions and agencies of the County to maintain inventories at a satisfactory level commensurate with the budget;
12. Confirm expenditures with Finance to ensure monetary appropriations are adequate and existing;
13. Work with departments, divisions and agencies of the County to promote good will between the County and its vendors;
14. Comply with all local, state, and federal laws in the administration of procurement and contracting functions;
15. Cooperate with County Finance in the preparation of statistical data concerning the procurement, usage, disposition of all supplies, services and construction;
16. Advise ordering departments whenever the quality or specifications of the ordered materials are inconsistent with normal standards that may lead to higher costs given market conditions;
17. Ensure confidentiality where appropriate for proprietary information received and not subject to disclosure under State or Federal laws;
18. Advise the County Administrator of economic and market conditions which may significantly impact the County's short and long-term interests;
19. Develop, with the assistance of the County Attorney as to legal sufficiency, standard forms and conditions of invitations to bid and purchase orders and contracts; develop and prescribe the use by agencies of other forms required in carrying out the provisions of this Manual, and amend or eliminate any such forms;
20. To the greatest extent possible, make full utilization of the procurement services provided through the South Carolina Division of General Services, Materials Management Office, i.e., S.C. State Contracts;
21. All other activities required by the job description of the Director and the requirements of this Manual for the smooth and effective operation of the Department.

IV. THE PROCUREMENT PROCESS

A. Requirements for Requisitions

Purchasing is responsible for ensuring the efficient purchase of materials, supplies and services with the objective that they be available at the proper time, quantity, quality, location

and price consistent with the needs and resources of the County. It is vital to the successful performance of this duty that the Director has the authority to review procurement requests, specifications and suggested sources.

Procurement may work with departments, divisions and agencies to develop a list of acceptable suppliers of a specific product or service whenever necessary. Once a list of acceptable suppliers has been established, the Director or Procurement designee shall be solely responsible for selection of a supplier from that list for the best fit for current requirements. The Director shall be responsible for the review of the specifications of each purchase requisition. This review shall include, without limitation:

1. Requests for goods of a quality that seem to be greater than required;
2. Requests for goods of a quality that seem to be less than required;
3. Requests whose material seems to be inconsistent with the actual requirement;
4. Requests that do not conform to County standards;
5. Requests for "sole source" purchases;
6. Requests for items believed to be under State contract, and
7. Requests without proper authorization.

In order for any purchase to be considered, an approved Requisition must be submitted prior to any purchase or the agreement to purchase any goods or services that are not exceptions to these policies and procedures. The Requisition must contain the vendor name, address, contact information, the account (budget) number, item number, item description, cost, shipping, method of payment, anticipated completion date, and must be signed by the Department Director or their designee. Requisitions that are submitted incomplete will be returned and thus may delay the procurement as a result. **All signatures on the Requisition must be original signatures. Requisitions that are submitted with a rubber-stamped signature will be returned and will likely delay the purchase.** Where available, digital electronic signatures provided through the appropriate platform will be accepted.

B. Purchase Order

A Purchase Order is a legal document governed by the Uniform Commercial Code (UCC) that creates a binding commitment for the County. Purchase Orders will be used by all authorized employees for purchases and constitute a final and entire agreement between the supplier and the County as a bona fide offer to buy. When formal acceptance is received from the supplier, the Purchase Order becomes a legal contract that is binding. This gives the supplier the authority to ship and to invoice for the goods or services. Due to the binding nature of a Purchase Order, those employees who are authorized to engage in procurement must understand that **no commitment may be made to any vendor without following the**

procurement policies and procedures, and any commitment made outside of the precepts of this Manual may create a personal liability for that employee.

The Purchase Order is critical to protecting the County from unclear and/or unusual provisions and must be written with care as a result. Terms and conditions contained in the County's purchase order provide protection against unfair or unreasonable limitations or disclaimers that frequently appear in quotations forms that are received from suppliers.

A major requirement of a Purchase Order is precise and clear descriptions of the elements of the order, the terms of the purchase, and time, manner and place of delivery. Additionally, Purchase Orders will not be issued for any procurement that has not followed the requirements of this Manual. **All the following information must appear on any requisition since it is necessary when preparing a purchase order:**

1. Name and address of supplier and requisitioner name;
2. Requisition number or budget number, where applicable;
3. Address of ordering location and ship to/bill to address;
4. Account number and charge number, where applicable;
5. Date of order;
6. FOB information and discount terms;
7. Manner of shipment and route, where applicable;
8. Description of goods, quantity per item, price per unit and part number, where applicable and total cost of procurement;
9. Date goods are required;
10. Confirmation;
11. Verification by the Director of the receipt of an executed W-9 tax form and required Certificates of Insurance for General Liability, Workers' Compensation and any other insurance requirements;
12. Signature of person requesting procurement, and
13. Signatures of County Administrator or his/her designee and Director.

The following caveats are critical in the preparation of a Purchase Order and may delay the procurement process if not adhered to carefully:

- An approved Requisition must be submitted prior to the issuance of any Purchase Order. Commitments made to vendors by anyone representing the County prior to the issuance of a Purchase Order will not be honored by the County and could create personal liability for the individual making the invalid commitment.

- Purchase Orders **must state** the price, number of units, part number(s), where applicable, the extended price (the unit price multiplied by the number of units ordered), and the total cost of the Purchase Order.
- The Purchase Order **must show** appropriate discounts and any payment terms, so the County has a complete understanding as to what needs to be paid and when.
- The FOB point and freight terms **must** be clearly stated.
- The Purchase Order **must show** the specific date materials or services are expected to be delivered or performed.
- The Purchase Order **must show** the original signatures of the County Administrator and the Director. **Rubber-stamped signatures will not be accepted.** Requisitions that are submitted with a rubber-stamped signature will be returned and will likely delay the purchase.
- For any purchase that ultimately needs a Purchase Order as required by this Manual, a Purchase Order number must be obtained **before any commitment is made on behalf of the County.** Invoices that arrive with a check request for payment to the Vendor may be denied.
- Emergency purchases that are Five Hundred Dollars and No Cents (\$500.00) or less may be purchased using an approved vendor **before** you have a Purchase Order. The Purchase Order must be processed within two (2) business days of the purchase.

Requisitions that are returned because of incomplete or invalid information or does not contain the proper approvals may result in the denial of a Purchase Order.

C. Source Selection

The selection of suppliers is the responsibility of Procurement and requires a consideration of several factors. In making the selection, the Director or his/her designee will coordinate closely with other departments to obtain adequate and reasonable specifications and other requirements relative to the purchase and supplier decision. As much detail as possible should be obtained in order that purchases adequately meet the needs of the County at the lowest cost or best value. The County will select providers based on expertise, dependability, reputation, past performance and financial strength. County Council shall retain the authority to establish or approve a method of source selection other than those specified in this Manual or by Ordinance. County Council shall further retain the authority to give final approval to any procurement authorized by the Manual or by Ordinance. Also considered is the nature of guaranty or warranty of the product or service, its price and quality.

All sources requesting to be put on a Bidders' list shall be included unless the Director recommends that the Bidder should not go onto the list for previous performance issues. The

Director shall ensure that the Bidders' list contain all identified sources interested in bidding on County procurement. The Director shall periodically review the Bidders' list and shall require the addition or deletion to such lists of sources as deemed necessary. The Bidders' list does not eliminate the County's obligation to notify the public of procurement opportunities.

Special consideration will be given to the following provided they satisfy any additional requirements contained in the RFP or RFQ:

1. Suppliers who are developing new and improved products or equipment or are developing/designing a special product or service for the County for exclusive use;
2. Suppliers who are located within the County;
3. Participation by minority, disabled or women-owned businesses, by certification.

E. Competitive Sealed Bidding

(i) *Invitation for Bid.* An invitation for Bid shall be issued and shall include a description of the scope of work or the product required. All contractual terms and conditions that are applicable to the procurement will be set forth in full detail. The Invitation must be clear on terms and explain absolutes. The County reserves the right to limit or "short-list" the number of Bidders invited to bid.

(ii) *Public Notice.* Public notice of the Invitation for Bid shall be given not less than seven (7) days prior to the date set forth therein for the opening of bids. Such notice may include publication in a newspaper of general, local circulation. The notice shall include the place, date and time of bid opening.

(iii) *Bid Opening.* Bids shall be opened publicly in the presence of one (1) or more witnesses at the time and place designated in the Invitation for Bid. The amount of each bid and other such relevant information as may be specified by regulation, together with the name of each Bidder, shall be read aloud and recorded, creating a Bid Tabulation. The Bid Tabulation shall be open for public inspection after award. Late bids shall not be opened nor considered for award, but the name of the late Bidder(s) and the time of the attempted delivery shall be read aloud and recorded in the bid file wherever possible.

(iv) *Bid Information.* Most procurement information is a public record to the extent required by South Carolina Code Ann. §30-4-10 et seq. (The Freedom of Information Act or FOIA). Commercial or financial information obtained in response to a "Request for Proposal" or any type of bid solicitation or "Request for Quotation" which is privileged and confidential shall not be disclosed as well as other information which may be exempt from disclosure. Privileged

and confidential information is information in specific detail not customarily released to the general public, the release of which might cause harm to the competitive position of the party supplying the information or constitute an unreasonable invasion of privacy. Such information must be designated as “confidential” or “proprietary” on the document itself. Examples of this type information include, without limitation:

- Customer Lists;
- Design recommendations and identification of prospective problem areas under an RFP;
- Design concepts, including methods and procedures;
- Biographical data on key employees of the bidder;
- Evaluative documents pre-decisional in nature such as inter- or intra- agency memoranda containing technical evaluations and recommendations, or
- Items marked as proprietary by a bidder under an RFP and not subject to public access under other provisions.

(v) *Bid Acceptance and Evaluation.* Bids shall be unconditionally accepted without alteration or correction, except as authorized by Ordinance or this Manual. Bids shall be evaluated based on the requirements set forth in the Invitation for Bid, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award shall be objectively measurable, such as discounts, transportation costs, and total or life cycle costs. The Invitation for Bid shall set forth the evaluation criteria to be used. No criteria may be used in bid evaluations that are not set for in the Invitation for Bid. The Director may conduct discussions with the apparent responsive Bidders for the purpose of clarification if in the Director’s judgment, such clarification is necessary. Clarification of any Bidder’s bid must be documented in writing by the Director and shall be included with the bid file. Documentation concerning the clarification shall be subject to disclosure upon request under FOIA.

(vi) *Prequalification and Limitation of Bidders.* The County may determine that due to the size or breadth of a project, it must limit the number of Bidders to make the process more effective and efficient. This information shall be included in the Invitation For Bid as to the limit on the number of bidders and how many will be invited to bid, and prior to the receipt of any bids, the County will advertise for and receive Statements of Qualifications. The Statements of Qualifications shall be evaluated by a team including without limitation, the County Administrator, County Treasurer, Procurement Director, Public Works Director, Roads Supervisor, Planning Director, Maintenance Supervisor, the IT Director the Engineering Consultant, and other engineers who may be involved with the project, . The makeup of this team will be determined by the nature of the project. Through the Statements of Qualifications, the County will prequalify those Bidders who will be invited to submit bids.

Scoring will be predicated upon location of the company, previous work strength, safety records, number of employees, financial ability to perform the work, etc.

(vii) *Correction or Withdrawal of Bids/Cancellation of Awards.* Corrections or withdrawal of inadvertently erroneous bids, before or after award or cancellation of awards or contracts based on such bid mistakes, may be permitted by the Director in accordance with this Manual. Mistakes discovered before bid opening may be modified or withdrawn by written notice received in the Director's office prior to the time set for bid opening. In lieu of bid correction, a low bidder alleging a material mistake of fact may be permitted to withdraw its bid if:

- a) the mistake is clearly evident on the face of the bid document, but the intended correct bid is not similarly evident; or
- b) the bidder submits evidence which clearly and convincingly demonstrates that a mistake was made. All decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination made by the Director.

After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the County or fair competition shall be permitted. Except as otherwise provided by Ordinance or this Manual, all decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid errors, shall be supported by a written determination made by the Director and reviewed by the County Attorney.

(viii) *Minor Informalities and Irregularities in Bids.* A minor informality or irregularity is one which is merely a form or is some immaterial variation from the exact requirements of the Invitation for Bid, having no effect or merely a trivial or negligible effect on total bid price, quality, quantity, or delivery of the supplies or performance of the contract, and the correction or waiver of which would not affect the relative standing of, or be otherwise prejudicial to, Bidders. The Director shall either give the Bidder the opportunity to cure any deficiency resulting from a minor informality or irregularity in a bid or waive any such deficiency when it is to the advantage of the County. Such communication or determination shall be made in writing. Examples of minor informalities or irregularities may include but are not limited to:

- a) Failure of a Bidder to return the number of copies of signed bids required by solicitation;
- b) Failure of a Bidder to furnish the required information concerning the number of the Bidder's employees or failure to make a representation concerning its size;
- c) Failure of a Bidder to acknowledge receipt of an amendment to a solicitation, when required, but only if the amendment has no effect or merely a trivial or negligible effect on price, quality, quantity, delivery, or relative standing of

Bidders;

- d) Failure of a Bidder to furnish product literature;
- e) Failure of a Bidder to indicate a bid number on its submission envelope, and
- f) Failure of a Bidder to indicate his contractor's license number.

(ix) *Award.* No bid will be awarded until the Director has reviewed each bid. A written recommendation is then sent by the Director to the Finance Director and the County Administrator for written authorization to proceed with the purchase based on available funds. For those purchases requiring the approval of County Council, once approved for funding by the Finance Director and the County Administrator, the recommendation would then be sent for review by the County Council at a duly called Council meeting. It is the policy of the County to award the contract with reasonable promptness by written notice to the lowest responsible and responsive Bidder whose bid meets the requirements and criteria set forth in the Invitation for Bid.

In the event the Director recommends purchasing from a Bidder other than the lowest Bidder, the Director shall submit a written recommendation to the County Administrator detailing reasons for the request. The request must be approved by the County Administrator and/or the County Council, depending on the authorization requirements as set forth in this Manual, prior to awarding the contract to someone other than the lowest responsible and responsive bidder.

In other than construction projects (addressed separately herein), if all bids exceed available funds and no additional monies can be appropriated, then the bids will be rejected.

(x) *Tie Bids.* If two (2) or more Bidders are tied in price, while otherwise meeting all the required terms and conditions of the bid, awards may be determined as follows:

- a) If there is an in-County firm (active business) tied with an out-of-County firm, the award will go to the in-County firm.
- b) If there is an in-state firm (active business) tied with an out-of-state firm, the award will go to the in-state firm.
- c) Tie bids involving in-County and in-State firms may be resolved by accepting the bid that was first received (reference time and date stamp) in the Purchasing Department.
- d) Tie bids involving in-County and in-State firms may be resolved by the flip of a coin in the office of the Director witnessed by all interested parties.

(xi) *Cancellation of Invitation for Bid or RFP.* An Invitation for Bid, an RFP or other solicitation may be cancelled, or any or all bids or proposals may be rejected in whole or in part when it is

in the best interest of Chester County in accordance with regulations. The reasons for the cancellation or rejection must be in writing and be incorporated into the solicitation file.

(xii) *Negotiations after Unsuccessful Competitive Sealed Bidding.* When bids received in response to an Invitation for Bid are unreasonable or the low bid exceeds available funds as certified by the Finance Director, and it is determined in writing by the Director that time or other circumstances will not permit the delay required to re-solicit competitive sealed bids, a contract may be negotiated pursuant to this section, provided that:

- a) Each responsible/responsive Bidder, who submitted a bid under the original solicitation, is notified of the determination and is given reasonable opportunity to negotiate;
- b) The negotiated price is lower than the lowest rejected bid by any responsive/responsible Bidder under the original solicitation, and
- c) The negotiated price is the lowest negotiated price offered by any responsive/responsible Bidder.

F. Competitive Bidding Exceptions

The following supplies and services may be considered exceptions from Competitive Bidding processes as determined by the County but will still require a requisition and issuance of a Purchase Order where noted:

1. Leasing or purchasing of real property does not have to follow the procurement procedure but must be approved by the County Administrator prior to entering into any contractual agreement;
2. Advertising time or space in newspapers, radio, television, professional journals or publications;
3. Postage stamps and postal fees, U.S. Post Office box rentals;
4. Professional training – requires requisition and issuance of Purchase Order;
5. Conference facilities – requires requisition and issuance of Purchase Order;
6. Maintenance on equipment that must be provided by the original equipment manufacturer or an authorized dealer – requires requisition and issuance of Purchase Order;
7. Purchasing through state contracts (State contract number must be clearly shown on the Purchase Order) – requires requisition and issuance of Purchase Order;
8. Services provided by public utilities as regulated by the Public Service Commission;
9. Professional dues and registration and membership fees will require a Purchase Order;
10. Legal services;

11. License agreements for computer software, after such software has been purchased subject to the provisions of this Manual – requires requisition and issuance of Purchase Order;

12. The procurement of copyrighted educational films, CD-ROM documents, databases, computer assisted instructional materials, interactive video programs and other related materials made available by information technology that can only be obtained from the company providing the information or service – requires requisition and issuance of Purchase Order;

13. The procurement of goods, products or services from the South Carolina Department of Corrections – requires requisition and issuance of Purchase Order;

14. Hospital fees;

15. Payment to Federal and State agencies as required by law; and

16. Travel and lodging – requires requisition and issuance of Purchase Order and lodging reservations (and any changes to the reservations) shall be made through the Purchasing Office. Travel and lodging is also limited by the Travel policy in the Employee Handbook. Overnight lodging is not typically approved for travel that is within a sixty (60) mile radius, and the traveler is required to complete a Travel Request, obtaining approval prior to the travel. When lodging is required, employees are expected to utilize standard, medium-priced hotels and motels whenever possible. If an employee is to attend a formal, organized meeting or convention, they may stay at the hotel or motel where the meeting is held with advance Department Director approval. In all cases, the county will pay no more than the regular single occupancy rate and government rates must be requested. **Receipts for lodging must be presented with daily expense report.**

G. Formal Bids for Construction Projects

For construction projects, the Public Works Director along with a third-party engineering firm (the “Engineer”) shall generate plans and create specifications. The date set for the bid opening must allow ample time for prospective bidders to prepare their bid. Public bid notices may be run in one or more newspapers of general local circulation. The formal bid opening may also appear on the South Carolina Business Opportunities (SCBO) website and/or the Chester County website. The Director will determine, with the assistance of the Public Works Director and the Engineer, what construction trades will be involved on the project (e.g., subcontractors, drywall, electrical, fencing, etc.).

Where the Director and/or the Engineer feel a pre-bid meeting is mandatory, that information will be included in the Invitation for Bid. Bidders who do not attend the mandatory pre-bid meeting will be prohibited from submitting a bid.

Bids received late will not be accepted or considered for the award. Bids are opened publicly at a specific date and time. A Bid Tabulation will be created and made available to all interested Bidders following the reading of the bids. No bid will be awarded until the Director, Public Works Director and the Engineer have reviewed each bid. A written recommendation for the award shall be sent to the County Administrator for review and subsequent submission to County Council for approval. Upon approval, the Director with the assistance of the County Attorney, shall create a contract agreement which is sent to the successful contractor for execution. Once the contract agreement has been returned, the Director, Public Works Director and the Engineer will issue a "notice-to-proceed" for the contractor.

It is the policy of the County to award the contract to the lowest responsible and responsive Bidder who best meets the County's plans and specifications. Factors considered in awarding a construction contract should include without limitation, the following: 1) quality; 2) price; 3) warranty or guarantee; 4) timeliness of delivery; 5) service; 6) past performance of contractor on previous projects; 7) client references involving like or similar projects.

In the event the Director recommends awarding the contract to other than the lowest Bidder, the Director and/or the Engineer shall submit a written request to the County Administrator detailing reasons for the request. Depending on the approval authority required, this may be approved by the County Administrator and sent back to the Director or approved by the County Administrator and sent on for review to the County Council. If either the County Administrator or County Council do not adopt the recommendation of the Director, the contract will be awarded to the lowest Bidder.

When deemed necessary by the Director, a bid deposit in the amount of at least 5% of the proposed contract price will be required of all Bidders. This deposit will be in the form of a 5% bid bond executed by a corporate surety licensed under the laws of South Carolina. If the successful Bidder fails to enter into the proposed contract within 15 days after the award date, the County may call for the bid bond.

A performance bond in the amount of 100% of the contract price may be required at the discretion of the Director and/or the County Administrator in any case where the construction contract price exceeds \$50,000.00. Such bond shall be reviewed and approved by the County Attorney. This provision enables the Director to ensure that the contractor provides suitable evidence of their financial condition and ability to complete the work without financial difficulty. Cash or a certified check, in the full amount of the contract, may be submitted as part of the contract in lieu of a bond within fifteen (15) days from the contract award date. Failure of the contractor to satisfactorily fulfill their obligations shall be cause for the forfeiture of the guaranty. In such instance, the Director shall document the circumstances and file such findings with the related contract.

In some cases, the Director may determine that an alternative to a performance bond is appropriate. In such cases the County shall require a general liability insurance policy with a binder for "completed operations" and premises policy rider sufficient to cover the cost to complete the project. In addition, a provision shall be made for all accounts payable checks for the project to be issued as jointly payable to the contractor and supplier. Also, a provision shall be made in the contract raising the percentage of retention in the contract prior to completion.

For construction contracts of less than \$50,000.00, 25% of each payment request shall be retained by the County until the final payment for the contract is made or until the County has determined to its satisfaction that the contracted project is substantially complete.

Commercial contractors must be licensed by the South Carolina Department of Labor, Licensing and Regulation (SCLLR) before being awarded any contract for \$5,000 or more. Electrical and plumbing contractors must secure a surety bond, made out to Chester County, before being awarded any contract for \$1,000 or more. Mechanical contractors must secure a surety bond, made out to Chester County, before being awarded any contract for \$2,500 or more.

H. Competitive Sealed Proposals ("RFP")

(i) *Conditions for use.* Where the Director determines in writing that the use of competitive sealed bidding is either not practicable or not advantageous to the County, a contract may be entered into by competitive sealed proposals. Proposals shall be solicited through a Request for Proposals ("RFP").

(ii) *Public Notice.* Public notice of the RFP shall be given not less than seven (7) days prior to the date set forth therein for the opening of the proposals. Such notice may include publication in a newspaper of general local circulation or advertisement on SCBO and the Chester County website.

(iii) *The RFP.* The RFP should state the relative importance of price or fee and other evaluation criteria. The County shall attempt to secure proposals from no less than three (3) qualified sources, when such sources are available.

(iv) *Receipt of Proposals.* No proposals shall be handled so as to permit disclosure of the contents of any proposal to competing Offeror's during the process of negotiation. A register of proposals shall be prepared containing the name of each Offeror, the number of modifications received if any, and a description sufficient to identify the item offered. The register of proposals shall be open for public inspection only after contract award.

(v) *Request for Qualifications (RFQ).* Prior to soliciting proposals, the Director may issue an RFQ from prospective Offerors. Such request shall contain at a minimum a description of the goods or services to be solicited by the RFP, and the general scope of work and shall state the deadline for submission of information and how prospective Offerors may apply for consideration. The request shall require information only on their qualifications, experience and ability to perform the requirements of the contract.

After receipt of the responses to the RFQ from prospective Offerors, prospective Offerors shall be ranked from most qualified to least qualified based on the information provided. Proposals shall then be solicited from at least the top two (2) prospective Offerors by means of a RFP. The failure of a prospective Offeror to be selected to receive the RFP shall not be grounds for protest under this Manual.

(vi) *Proposal Opening.* Proposals shall be publicly opened and only the names of the Offerors disclosed at the proposal opening. Contents of competing proposals shall not be disclosed during the process of review and discussion. Proposals shall be available for public inspection after award of the contract. Proprietary or confidential information marked as such in each proposal shall not be disclosed without written consent of the Offeror. Late proposals shall neither be opened nor considered for award; however, the name and address of the late Offeror and the time of attempted delivery will be recorded.

(vii) *Clarifications with Responsible Offerors and Revisions to Proposals Prior to Selection of Preferred Offeror or Proposal.* As provided in the RFP, discussions may be conducted with responsible Offerors who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Offerors shall be accorded fair and equal treatment with respect to any opportunity for submissions, and prior to award for the purpose of obtaining best and final offers. In conducting discussions there shall be no disclosure of any information derived from proposals submitted by competing respondents.

(viii) *Selection and Ranking.* Proposals shall be evaluated using only the criteria stated in the RFP and there must be adherence to any weightings that have been previously assigned. Once evaluation is complete, all responsive Offerors shall be ranked from the most advantageous to the least advantageous to the County, considering only the evaluation factors stated in the RFP. If price is an initial evaluation factor, award shall be made in accordance with this.

If price is not an initial evaluation factor, negotiations shall be conducted with the top ranked responsive Offeror for performance of the contract at a price which is fair and reasonable to the County. Should the Director be unable to negotiate a contract at a price which is fair and reasonable to the County, negotiations shall be formally terminated with the top ranked responsive Offeror and negotiations commenced with the second most

advantageous responsive Offeror, and then the third and so on until a satisfactory contract has been negotiated. In conducting negotiations, there must be no disclosure of any information derived from proposals submitted by competing Offerors.

(ix) *Award.* Except as hereinafter prescribed, the award shall be made to the responsible Offeror whose proposal is determined, in writing, to be the most advantageous to the County, taking into consideration the evaluation factors set forth in the RFP. No other factors or criteria shall be used in the evaluation. The contract file shall contain the basis on which the award is made.

V. OTHER PROCUREMENT METHODS

A. Small Purchases

Any purchase not to exceed \$10,000 may be accomplished without securing competitive quotations if the prices are fair and reasonable. Documentation of purchase must be accomplished through an approved Requisition and the issuance of an approved Purchase Order. Competitive quotations need only be taken when the Director suspects the price may not be fair and reasonable, e.g., comparison to previous price paid, personal knowledge of the price range of the item involved. The Director may periodically review the frequency of 'small purchases' to ensure the purchase is not a large purchase being purchased over a period to avoid the procurement process. Regardless of the amount of the small purchase, the vendor will be set up in the same fashion as other vendors and shall submit a written quote for the purchase, an executed W-9 and required Insurance Certificates to the Director.

B. Blanket Purchase Contracts

Blanket Purchase Contracts may exist for ongoing needs of the County. Bids are solicited based upon historic use of certain supplies or equipment. Procurement may authorize certain Department Directors to place orders against blanket contracts without seeking bids each time since unit prices and terms have been agreed upon in writing by both parties. Certain Blanket Purchase Contracts may contain a provision for the renewal of a given annual contract for up to two (2) additional fiscal years based upon mutual agreement of both the County and the Vendor. Single purchases on a blanket Purchase Order must not exceed \$2,500.00, and those that do exceed this limit must follow the appropriate process for the amount being purchased. Violation of this requirement may result in the loss of purchasing authority or personal liability for the purchase. Blanket Purchase Contracts **still requires the submission subsequent receipts and must be approved by the County Administrator and/or the Director.**

C. Emergency Purchases/Emergency Construction

Emergency purchases should be avoided whenever possible through proper planning. An emergency may be defined as an “unforeseen occurrence requiring prompt and immediate action.” An emergency may also include situations in which life, safety, and welfare of the County citizens are in danger, necessitating emergency construction work such as, without limitation, repairs to a sewer line, repairs to a water well pump, etc. For emergency purchases or contracts exceeding \$500.00, the Department Director must request authorization from the County Administrator, utilizing the County Purchase Order, requesting a waiver of the County’s formal bid procedures. All efforts must be made by the Department Director to obtain approval from the Chester County Administrator or his/her designee. Such emergency purchases or construction may then be executed immediately upon approval. In cases where the County Purchase Order is not completed due to the extreme nature of the emergency, the Department Director is expected to follow up with the Director with an appropriately completed Purchase Order once the emergency has ceased and as soon as practicable. Department Directors in first-responder situations should plan accordingly in their budgets for emergency purchases through the fiscal year.

D. Sole Source Procurement

Any request by a Department Director that a procurement be restricted to one potential source shall be made in writing and shall contain an explanation as to why no other source will be suitable or acceptable to meet the needs of the County. A contract of less than, or equal to Twenty-Five Thousand Dollars and No Cents (\$25,000.00) may be awarded for a supply, service or construction item without competition where the County Administrator and the Director determine in writing that there is only one source for the required supply, service or construction item, or that the proposed award to a single source is a permitted, noncompetitive procurement as set forth herein. Certification from the sole source vendor may be required. After verification of a sole source vendor, or the justification of a sole source purchase is warranted, the Director has the authority to negotiate the price, terms and conditions of the procurement. A sole source for non-competitive contract award greater than Twenty-Five Thousand Dollars and No Cents (\$25,000.00) for a supply, service or construction item must be approved by County Council. The Director will review the record of sole source providers yearly and submit the list of renewals for approval for the next fiscal year to County Council during the budget process.

Examples of permissible, non-competitive procurements include without limitation:

- Where the County Administrator has deemed the compatibility of equipment, accessories, services, systems, software or replacement parts is of paramount importance;
- Where the item or service is an unexpected but immediate need such as towing services;

- Where an item is required for trial use or testing; and
- Where public utility services are to be procured.

E. State Contract Procurement

State procurement enters into a variety of contracts with manufacturers and/or dealers utilized by the State and local governments at all levels. The Director may procure without competitive bids, equipment, supplies, or services which are under current state contract. These commodities may include without limitation, vehicles, tractors, backhoes, radar units, janitorial supplies, office supplies, traffic control equipment and fuel.

General Services Administration (GSA), HGAC, Sourcewell, Omnia, NASPO, are some of the contract holders who make their products available to State and local governments for the same prices charged to federal government agencies. County purchasing may procure without competitive bids, equipment or supplies under contract with these entities, also referred to as Federal Supply Schedules.

Any purchase made through a State Contract or Federal Supply Schedule must be indicated as such on the Purchase Order through reference of the State Contract number or the Federal Supply Schedule Contract number. Purchase Orders that are purported to be purchasing through either agency but do not contain this number will be returned to the issuer without approval for the purchase. **State Contract procurement still requires a purchase order submission to the Director.**

VI. CONTRACT ADMINISTRATION

A. Types of Contracts

A contract is a bilateral agreement entered into by the buyer and the seller. For a contract to be legally binding and enforceable, both an offer and acceptance, in identical terms are required. **Contracts that bind Chester County may only be signed by the County Administrator.** Other County employees who sign a contract without express authority may be held personally liable for the contractual amount therein.

Subject to the limitations of this Manual, any type of contract which will promote the best interest of the County may be used provided that the use of a cost plus a percentage of cost contract is prohibited. A cost-reimbursement contract may be used only when the Director determines that such a contract is likely to be less costly to the County than any other type or that it is impractical to obtain the supplies, services or construction required except under such a contract.

Types of permissible contracts include without limitation:

(i) *Multi-Term Contract.* A contract for supplies or services may be entered into for a renewable period or until completion of the project(s) which was clearly described in the original solicitation, whichever is later, not to exceed a total of five (5) years, provided the term of the contract and the conditions of renewal or extension, if any, are included in the solicitation and funds are available for the first fiscal period at the time of the contracting. Payment and performance obligations of the County for each succeeding fiscal period shall be subject to the availability and appropriation of funds.

Prior to the utilization of a multi-term contract, it shall be determined in writing:

- (a) That estimated requirements cover the period of the contract and are reasonably firm and continuing, and
- (b) That such a contract will serve the best interest of the County by encouraging effective competition or otherwise promoting economies in County procurement.

All multi-term contracts shall contain a clause stating that when funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be cancelled. **ALL MULTI-TERM CONTRACTS MUST BE APPROVED BY COUNTY COUNCIL.**

(ii) *Leases of Business Personal Property or Equipment.* A lease is a contract for the use of equipment or other supplies under which Title does not pass to the County unless there is a purchase option, where Title may pass to the County at some future time. A lease may be entered into if:

- (a) It is in the best interest of Chester County;
- (b) All conditions for renewal and costs of termination are set forth in the lease;
- (c) The lease shall be obtained using normal procurement procedures; and
- (d) Funding sources must be compatible with permitting a lease agreement.

(iii) *Lease with Purchase Option.* A purchase option in a lease may be exercised only if the lease containing the purchase option was awarded under competitive sealed bidding or competitive sealed proposal, or the leased supply or equipment is the only supply or equipment that can meet the County's requirements as determined, in writing, by the Department Director of the requesting department and the Director.

When a contract is to contain an option for renewal, extension, or purchase, notice of such provision shall be included in the solicitation. Excise of the option is always at the County's discretion only, and not subject to agreement or acceptance by the Contractor.

(iv) *Maintenance Contract.* All maintenance contracts and agreements must be procured through the procurement process. Wherever practical, the terms of maintenance contracts shall be resolved in connection with the original solicitation for the item or equipment, which is the subject of the maintenance contract. The County Administrator or the Director, in consultation with the County Attorney, will review the contract for proper terms and conditions as well as for fair pricing. Maintenance contracts may only be approved by the Director and the County Administrator.

B. Contract Requirements

(i) *Contract File.* The Director shall maintain all determinations and other written records pertaining to the solicitation, award or performance of a contract in a contract file. Following the award of construction contracts, contract files reflecting daily administration shall be maintained in the department responsible for overall administration of the project. Copies of Change Orders to the contract shall also be maintained in the Director's file.

All procurement records shall be retained and disposed of in accordance with record retention guidelines and schedules approved by the State. If a contract is being funded in whole or in part by assistance from a Federal agency, then all procurement records pertaining to that contract shall be maintained for three (3) years from the closeout date of the assistance agreement, or the final disposition of any controversy arising out of the assistance agreement.

(ii) *Legal Review.* All contracts shall be either drafted by the County Attorney or if supplied by the Contractor/Vendor, reviewed by the County Attorney to ensure that the best interest of the County is served by the document.

(iii) *Required Provisions.* All contracts for supplies, services and construction shall include provisions necessary to define the responsibilities and rights of the parties to the contract. The Director may also issue clauses appropriate for supply, service or construction contracts which may address the following subjects:

- (a) The unilateral right of the County to order, in writing, changes in the work within the scope of the contract;
- (b) The unilateral right of the County to order, in writing, temporary stoppage of the work or delaying performance that does not alter the scope of the contract;
- (c) Variations occurring between estimated quantity of work in a contract and actual quantities;

- (d) Defective pricing;
- (e) Liquidated damages;
- (f) Specified excuses for delay or non-performance;
- (g) Termination of the contract for default, or in whole or in part, for the convenience of the County;
- (h) Suspension of work on a construction project ordered by the County;
- (i) Site conditions differing from those indicated in the contract or ordinarily encountered except that differing site conditions clauses need not be included in a contract:
 - I. When the contract is negotiated;
 - II. When the contract provides the site or design, or
 - III. When the parties have otherwise agreed with respect to the risk of differing site conditions.
- (j) Types and amounts of insurance coverage which are reasonable but required for the protection of the County.

(iv) *Price Adjustments.* Adjustments in price resulting from the use of contract clauses as shown herein shall be computed in one or more of the following ways:

- I. By agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practical.
- II. By unit prices specified in the contract or subsequently agreed upon.
- III. By the cost attributable to the events or situations under such clauses with adjustment of profit or fee, all as specified in the contract or subsequently agreed upon.
- IV. In such other manner as the contracting parties may mutually agree.
- V. In the absence of agreement by the parties, by unilateral determination by the County, of the reasonable costs allocable either directly or indirectly to the events or situations under such clauses as accounted for in accordance with generally accepted accounting principles, and with adjustment of profit or fee, as appropriate and subject to the other provisions of this Manual.

(v) *Standard Contract Clauses and their Modification.* The Director may establish, after consultation with the County Attorney, standard contract clauses for use in County contracts. If the Director establishing any standard clauses addressing the subjects set forth above, such clauses may be varied provided that any variations are supported by written determination that states the circumstances justifying such variations, and provided that the nature of any such material variation be stated in the Invitation for Bids or RFP.

(vi) *Change Orders/Contract Modifications.* Every contract modification, Change Order, or contract price adjustment under a construction contract with the County shall be subject to prior approval by the Director. The Director may approve such modifications, Change Orders, or adjustments that do not exceed the budgeted amount approved by County Council. Any increase over the budgeted amount must be approved by County Council.

(vii) *Right to Inspect Plant.* The County may at reasonable times inspect the part of the plant, place of business, or work site of a contractor or subcontractor at any tier which is pertinent to the performance of any contract awarded or to be awarded by the County.

(viii) *Right to Audit Records.* The County may at reasonable times and places audit the books and records of any contractor who has submitted cost or pricing data to the extent that such books, documents, papers, and records are pertinent to such cost or pricing data. Such books and records shall be maintained by the contractor for a period of five (5) years from the date of final payment under the subcontract or as otherwise provided by laws of the State of South Carolina.

The County shall be entitled to audit the books and records of a contractor or a subcontractor at any tier under any negotiated contract or subcontract other than a firm fixed-price contract to the extent that such books, documents, papers, and records are pertinent to the performance of such contract or subcontract. Such books and records shall be maintained by the contractor for a period of five (5) years from the date of final payment under the subcontract or as otherwise provided by the State of South Carolina.

VII. LEGAL AND CONTRACTUAL REMEDIES

A. Authority to Resolve Protested Solicitations and Awards

(i) *Right to Protest.* Any actual or prospective Bidder, Offeror, or Contractor who feels they are aggrieved in connection with the solicitation or award of a contract may submit a written protest to the Director, except as otherwise stated in this Manual. The protest must be submitted within seven (7) calendar days after such aggrieved person knows or should have known of the facts giving rise thereto.

(ii) *Authority to Resolve Protests.* The Director shall have the authority, prior to the commencement of an action in court concerning the controversy, to settle and resolve a protest by an aggrieved Bidder, Offeror, or a Contractor, actual or prospective, concerning the solicitation or award of a contract.

(iii) *Decision.* If the protest is not resolved by mutual agreement, the Director shall issue a decision in writing within ten (10) calendar days. The decision shall:

- (a) state the reasons for the action taken; and
- (b) inform the protestant of his rights to administrative review as provided in this Manual and under the laws of the State of South Carolina.

(iv) *Notice of Decision.* A copy of the decision under subsection (iii) of this Section shall be mailed or otherwise furnished immediately to the protestant and any other intervening party.

(v) *Finality of Decision.* A decision under subsection (iii) of this Section shall be final and conclusive, unless fraudulent.

(iv) *Appeal.* A person adversely affected by the decision may appeal administratively to the County Administrator.

B. Debarment or Suspension of Bidders, Offerors, or Contractors

When for any reason, collusion or other anti-competitive practices are suspected among any Bidder, Offeror, or Contractor, a notice of the relevant facts shall be transmitted to the County Attorney.

Authority. After fifteen (15) days' notice to the person involved and reasonable opportunity has passed for that person to be heard, the Director in consultation with the County Attorney and the County Administrator, shall have the authority to debar a person for cause from consideration for award of prospective contracts. The debarment shall not be for a period to exceed three (3) years. The same officer, after consultation with the County Attorney and the County Administrator, shall have the authority to suspend a person from consideration for award of contracts if there is probable cause for debarment. The suspension shall not be for a period to exceed three (3) months. The authority to debar or suspend shall be exercised in accordance with the regulations contained herein.

Reasons for Debarment or Suspension of Bidders, Offerors, or Contractors. The causes for debarment or suspension include without limitation the following:

- i. Conviction for commission of a criminal offense as an incident to obtain, or attempting to obtain, a public or private contract or subcontract, or in the performance of such Contractor subcontract.
- ii. Conviction under State or Federal statutes for embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously and directly affects responsibility as a County Contractor.
- iii. Conviction under State or Federal antitrust statutes arising out of the submission

of bids or proposals.

iv. Violation of contract provisions as set forth herein, of a character which is regarded by the Director to be so serious as to justify debarment action:

- a) Deliberate failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract, or
- b) A recent record of failure to perform, or of unsatisfactory performance, in accordance with the terms of one (1) or more contracts if failure to perform, or unsatisfactory performance caused solely by acts beyond the control of the Contractor shall not be a basis for debarment.

v. Any other cause the Director determines to be so serious and compelling as to affect responsibility as a County Contractor, including debarment by another governmental entity for cause.

vi. For violation of the ethical standards set forth in the State Ethics Act.

vii. Failure to pay uncontested or unappealed but delinquent, real or personal property taxes. These taxes are meant to include those taxes, assessments and penalties for which the County Treasurer has issued his tax execution to the Delinquent Tax Collector. However, this is not deemed to include tax assessments that are actually under formal appeal, or in litigation, at the time the debarment or suspension decision is made.

Decision. The Director shall issue a written decision to debar or suspend. The decision shall:

- a) State the reasons for the action taken, and
- b) Inform the debarred or suspended person involved of their rights to administrative review as provided in this Manual.

A copy of the decision shall be mailed or otherwise furnished immediately to the debarred or suspended person, and any other party intervening. A decision under this Section shall be final and conclusive unless fraudulent, or the debarred or suspended person appeals administratively to the County Administrator.

Time of Decision, Prohibition from Accepting Bids or Offers from Person(s) Where Contract is Terminated. In addition to the authority to suspend or debar, the Director is further and expressly authorized to suspend a Bidder, Offeror or Contractor after submission of a bid or response to a solicitation where the Bidder, Offeror or Contractor is not determined to be subject to debarment or suspension until after the bid or response has been filed with the County. Where the County has terminated a contract, or contracts, with a person for cause or due to the failure or inability of the person to properly perform, the Director may not accept a bid or proposal for goods or services from such a person for a solicitation which either in whole

or in part seeks a replacement or substitute for the goods or services which were the subject of the terminated contract. The Director may not accept a bid or offer from a person or company that is an affiliate, successor or assignee of the defaulting company or person, or which has an element of common management, ownership, or control with the terminated company.

C. Resolution of Contract Controversies

This Section applies to controversies between the County and a Contractor which arises under or by virtue of a contract between them. This includes without limitation, controversies based on breach of contract, mistake, misrepresentation or other cause for contract modification or rescission. The Director, after consultation with the County Attorney and the County Administrator, is authorized prior to commencement of an action in a court concerning the controversy, to settle and resolve any controversy described herein.

If such a controversy is not resolved by mutual agreement, the Director shall promptly issue a decision in writing. The decision shall:

- (a) State the reason for the action taken, and
- (b) Inform the Contractor of its right to administrative review as provided in this Manual.

A copy of the decision shall be mailed or otherwise furnished immediately to the Contractor. This decision shall be final and conclusive unless fraudulent or the Contractor appeals for administrative review by the County Administrator.

If the Director does not issue the written decision required under this Section within thirty (30) days after written request for a final decision, or within such longer period as may be agreed upon by the parties, then the Contractor may proceed as if an adverse decision has been received.

Any Bidder, Offeror or Contractor receiving an adverse decision may appeal this decision to the courts of the State of South Carolina.

VIII. DISPOSAL OF SURPLUS COUNTY EQUIPMENT

The Director shall be responsible for the disposal of junk, excess or obsolete materials and equipment such as automobiles, trucks, vehicle bodies, tractors, riding mowers, typewriters, etc. following appropriate approval, the Director will periodically (but no less than on an annual basis) offer such material for sale. Surplus items may be sold through a public auction or by sealed bids. The most appropriate method of disposal will be determined as

required. Sales of surplus equipment will be advertised in a publication of general local distribution and through SCBO.

Outdated or used County equipment may be sold to other governmental entities provided the offer to buy is fair and reasonable. The sale must be approved in writing by the Department Director and the County Administrator.

IX. DISPOSAL OF COUNTY REAL ESTATE OR REAL PROPERTY

It is the policy of the County to offer for sale, at fair market value, all surplus real property owned by the County. Surplus real property may be sold to adjacent property owners only when, as determined by an appraiser's report, such property is usable only by the adjacent property owner(s). When the property is sold, adequate legal provisions shall be made so that no owner will be denied access to his or her property because of the sale. The County Administrator shall set a minimum selling price for all appraised surplus properties and approved by County Council.

This section does not pertain to properties seized and held by the Chester County Forfeited Land Commission.

All surplus real properties must be appraised to determine fair market value.

The sale of any surplus real property must be approved by County Council through its ordinance process, including without limitation a public hearing. After Council has authorized the sale of specific surplus real property, the property shall be sold as follows:

(i) *Publication.* The Director will advertise surplus properties at least twice in a publication of local distribution with the advertisement containing the minimum selling price and a request for offers-to-buy on a given date, no less than thirty (30) days and no more than seventy-five (75) days after first publication. Offers-to-Buy will be submitted to the Director to be opened on the specified date and time.

(ii) *Acceptance or Rejection of Offers-to-Buy.* On all sealed offers-to-buy (bids), only the highest net offer after deducting any fees or commissions will be considered. The County will have thirty (30) days to accept or reject an offer-to-buy. Council may, by motion, extend the time for considering the offer to sixty (60) days. If no reasonable offers-to-buy are received, the selling price of such property may become negotiable.

X. INVENTORY CONTROL PROCEDURES

The Inventory Control policy establishes a process for the recording, identification and accountability of all County-owned assets of significant value that is relatively permanent. The Finance Director, along with the assistance of the Procurement Director and Risk Management, have the responsibility to maintain a system of equipment control to provide a safeguard against loss and to facilitate effective utilization. Equipment of the County is paid for by the County taxpayer and the County must then be good stewards of that equipment.

A. Asset Types

(i) *Land.* Land includes the investment, held fee simple in real estate other than buildings and/or other improvements. All land, as defined, regardless of value or cost, should be capitalized.

(ii) *Buildings.* Buildings include all County-owned buildings except those whose condition prevent their serving a present or future useful purpose. Permanently installed fixtures to or within a building, such as boilers, lighting fixtures, and plumbing are considered a part of the building. The subsequent addition or minor fixtures and/or equipment to a building should be recorded as equipment. The costs of major improvements to a building, renovation of the building, etc., should be capitalized and recorded as part of the building asset value.

(iii) *Other improvements.* Other improvements are physical property of a permanent nature, including storage tanks, reservoirs, parking areas, park facilities, etc.

(iv) *Infrastructure.* Infrastructure assets are long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most other capital assets. Examples are roads, bridges, drainage systems and lighting systems.

(v) *Equipment.* Equipment includes movable property of a relatively permanent nature and of significant value, such as mobile equipment, office equipment, data processing equipment, machines, tools, and office furniture and fixtures. "Relatively permanent" is defined as a useful life of three years or longer. "Significant value" is defined as having an original cost of \$5,000 and over. The County may exercise the option to include other items for the purpose of maintaining appropriate accounting control. The cost may be applied in some instances to aggregates of units of similar type or purpose, such as groups of chairs, shelving, filing cabinets, etc., rather than to the individual unit itself. Exceptions to the \$5,000 value and the one-year life rule will be applied consistently.

B. Maintenance of Fixed Assets Inventory List

The County shall maintain an inventory of its capital assets. The capital assets list will be maintained by the Finance Director for the purpose of:

- (i) Safeguarding the County's capital investment;
- (ii) Fix responsibility for the custody of the equipment;
- (iii) Assist in formulation of acquisition and retirement policies through accumulation of data regarding prices, sources of supply and useful life; and
- (iv) To provide data for financial reports, including funding reports for replacement needs.

Capital assets are tangible assets of significant value having a useful life that extends beyond a reasonable time period as defined by the County. The capital assets included in the County's accounting system are land, buildings, other improvements, infrastructure and equipment.

The County Finance Director shall utilize an appropriate property and equipment control system to meet the need for detailed information as to particular identification of the property or equipment and the costs, the depreciation, the assignment and the location of the equipment for assets of a value of \$5,000.00 or more. The Finance Director or his designee shall conduct an annual inventory of all equipment assigned to each Department/unit location. The responsibility for equipment accountability is assigned to the Department Director. The policy requires:

- (i) All items of equipment to be brought under control shall be identified by an assigned fixed asset number as required below.
- (ii) Periodic physical inventories, at least once annually, shall be taken of all items of equipment placed under a fixed control number.
- (iii) Equipment utilization controls shall be maintained for significant items, whether they are in the form of daily usage records or simple periodic observations to provide a safeguard against loss and to facilitate effective utilization.
- (iv) No item of equipment should be permitted to leave the premises without a pass signed by the proper authority. This includes equipment intended for other County locations and signed off by the Department Director for removal and return.
- (v) Department Director shall be administratively responsible for any equipment assigned to their Department. The equipment assigned should not be permanently transferred without written approval of the County Administrator and the Finance Director.
- (vi) *Inventory Components.* To be included in an inventory, an item should:
 - a) Chester County property;
 - b) Include items of furniture, electronic equipment, machinery, vehicles and apparatus which may be used repeatedly without any material impairment of physical condition, and which have a probable life of more than three (3) years;

- c) Include items that Chester County is leasing or renting, if the lease is applied toward the purchase of the item and is determined to be a capital lease.

(vii) *Non-Inventory Items.* The following should not be included in a physical inventory:

- a) Items that are purchased by a grant or contract for which the County does not hold title;
- b) Personally owned items;
- c) Expendable items;
- d) Items that are considered permanent attachments to a building, e.g., light fixtures, built-in cabinets, permanently installed heating and cooling apparatus and carpeting.

Generally, all equipment purchases in excess of \$5,000 must be placed under control. Different levels of equipment control can be established.

(viii) *Receipt of New Equipment.* When new equipment is received by the County, the Procurement Director shall verify that the item description is identical to the item as described on the purchase order issued to the Vendor, tag the equipment or work with the Department Director to get the equipment verified and tagged.

(ix) *Equipment Information.* Information regarding new and existing equipment should include without limitation:

- a) Description;
- b) Serial or manufacturer identification number;
- c) Original cost;
- d) Purchase Order Number;
- e) Acquisition date;
- f) Disposition date where applicable;
- g) Category;
- h) Department to which equipment is assigned;
- i) Person assigned responsibility for the equipment;
- j) Location – building and area of the building where equipment is kept or used.

(x) *Changes in Status of Equipment.* All status changes to equipment are to be reported by the Department Director immediately as they occur as follows:

- a) Whenever an equipment item is temporarily (less than six (6) months) transferred between locations, the Department initiating the transfer must keep

a record of its new location. The new location must be reported to the Finance Director and Risk Management.

- b) Whenever an item of equipment is to be permanently transferred to another location, this must be reported by the Department Director to the Finance Director and Risk Management.
- c) Whenever an item of equipment is found missing or believed to be stolen, this must be reported immediately to the Sheriff's Office, the County Administrator, the Finance Director and Risk Management.

(xi) *Surplus Property Disposal.* Notwithstanding the process previously outlined herein under Section VII and Section VIII, the following will be required for inventory control purposes:

- a) The Department Director will evaluate the condition of the item(s) and assign condition as obsolete, poor or scrap.
- b) The item(s) will be disposed of in accordance with this Manual.
- c) The Department Director will be responsible for the removal of the asset control tag and returning it to the Procurement Director.
- d) Upon being advised of the disposition of the asset, the Finance Director will retire the asset(s) from the Inventory Control system.
- e) An annual report of surplus sales shall be submitted prior to the conclusion of the fiscal year to Chester County Council, the Finance Director and Risk Management by the Procurement Director.

C. Development and Assignment of Fixed Asset Control Numbers

Capital assets shall be categorized into several classification groups based on type and use of the items. These groups shall be defined and maintained on file in the Procurement and the Finance Departments.

Capital assets will be assigned control numbers and will be added to the capital asset inventory list immediately following invoice payment to ensure that a current and accurate listing is maintained.

D. Department Review of Capital Asset Listing

On an annual basis, Department Director will be issued a copy of the Asset listing for their respective Department(s). This asset report shall be thoroughly reviewed, noting changes, additions, or deletions to be made to the inventory system. The inventory system will be revised based on information received from each department. A copy of the revised information will be provided to Procurement and Risk Management for the purpose of updating their records and/or insurance coverages.

XI. ELECTRONIC PROCUREMENT AND COMMERCE

A. Electronic Procurement

The Director may participate in securing goods and services as provided in this Manual by means of electronic procurement where sealed bids are not required. Examples of the type procurement may include without limitation:

1. Reverse auction where bids are permitted until the lowest bid is identified;
2. Acceptance of RFP and RFQ electronically;
3. Establish a chat room for meeting of Bidders, Offerors and Contractors;
4. Establish a FAQ site which relates to a specific bid or proposal.

B. Electronic Record

S.C. Code of Laws §26-5-520 states that an electronic record is deemed to be secure if:

1. It is created by application of a security procedure that is commercially reasonable and agreed to by the parties;
2. The electronic record can be verified not to have been altered since a specified point in time.

C. Electronic Signature

S.C. Code of Laws §26-5-510 states that an electronic record is deemed to be secure if:

1. It is created by application of a security procedure that is commercially reasonable and agreed to by the parties;
2. The electronic signature can be verified by use of a procedure that is recognized and approved by the parties;
3. When not previously agreed to by the parties, the electronic signature is:
 - a. Unique to the party using it; and
 - b. Capable of identifying such party; and
 - c. Created in a manner or using a means under the sole control of the party using it; and
 - d. Linked to the electronic record to which it relates in a manner such that, if the record is changed, the electronic signature is invalidated.

D. Electronic Commerce

The Director may participate in securing goods and services through means of electronic commerce whereby quotes and solicitations for the purchase of goods or services is done through a business' electronic "store".

E. Security of Records

All records received electronically will be maintained electronically in a secure location and retained in original format.

XI. CREDIT CARD PURCHASES

A. Authorized Use

Credit cards are issued to certain personnel (the "authorized user") within the County who are authorized to use such cards for appropriate purchases for their Department and who frequently purchase commodities and services. A frequent purchase is defined as using a card at least once in a three (3) month period. The employee who has been authorized to use the credit card is the only person authorized to use the card. **Chester County credit cards cannot be used at any time for personal purchases.** Any employee allowing others to use the County credit card or who has used the County credit card for personal use may be subject to disciplinary action, up to and including termination. The authorized user will notify the Finance Director and/or Accounts Payable for any loss or expiration of the credit card.

The total cost of any transaction must not exceed the established single transaction limit. A single purchase may be comprised of multiple items purchased in one transaction. All items purchased to meet a single requirement must be purchased in one transaction. A single purchase shall not be split into two or more transactions to stay within the single transaction limit.

B. Prohibited Use

Credit cards shall not be used under any circumstances for the following:

- (i) Cash Advances;
- (ii) Gift cards;
- (iii) Rental or lease of land or buildings;
- (iv) Utilities (i.e., telephone services, telephone calls, etc.);
- (v) Alcoholic beverages or tobacco products;
- (vi) Non-business entertainment expenses;
- (vii) Sales tax;
- (viii) Square technology or third-party billing vendor set up in an individual's name;

- (ix) Third-party billing vendor fees, and
- (x) Credit card fees or surcharges.

Unless otherwise approved in writing by the County Administrator and/or the County Treasurer or his designee, credit card accounts shall not be used for the following:

- (i) Fuel, and
- (ii) Any other items currently under a master contract or prohibited from purchase by County policies.

Fuel Cards shall be issued to each County vehicle and the card must remain in the vehicle to which it was issued. PIN numbers are assigned to each fuel card and may not be shared with others. Fuel cards are for gasoline fill-ups only and may not be used for high octane fuel (unless required by Auto Maintenance, food, or car washes).

C. Responsibility of Finance Director

The Finance Director or his designee shall be responsible for the following with regard to the County credit card:

- (i) Monitor all disputed purchases, credits and billing errors;
- (ii) Provide all new requesting Department cardholders the internal controls, transaction review and approval procedures prior to their usage of the card;
- (iii) Collect expired cards and distribute renewal cards;
- (iv) Assist in requesting Department's reconciliation;
- (v) Monitor for appropriate purchases on the card to ensure that all purchases are directly related to the mission of the County and serve a public purpose and to contact the appropriate individual or Department Director where clarification may be required, and
 - (vi) Obtain original detailed invoices or itemized receipts for all purchases.

D. Procurement Requirements

Employees making purchases on a County-issued credit must follow established procedures and guidelines for procurement including without limitation the requirement for bids and the need for a purchase order.

At no time should items on back order be charged to a credit card.

Purchasing authority must instruct the vendor to charge the card account at the time of shipment or when services are rendered so the commodities/service is received before the charge is posted to the account. The purchasing authority will confirm that the vendor is properly licensed and insured as required by the area of discipline at the time the service/commodities is delivered.

Purchasing authority must report lost cards or potentially fraudulent activity **immediately** to the Finance Director and/or Accounts Payable.

Authorized users are required to follow the following procedures:

- All transactions must be supported by original detailed or itemized receipt or invoice listing what was purchased, unit cost, number of units purchased, total cost, vendor name, etc. and any other applicable back-up documentation.
- Invoices and receipts that list the entire card account number and expiration date are to be adjusted so that only the last four digits of the card account number are listed. An appropriate adjustment would be to cross out or white out the numbers and expiration date.
- The vendor name listed on invoices and receipts should match the credit card statement.

E. Infractions of Policy/Procedure

The Finance Director reserves the right, dependent on the degree of the infraction, to impose any of the actions below when an infraction of the policy and/or procedure is suspected:

- The Finance Director has the authority to deactivate a credit card account pending the completion of a review;
- The cardholder will be notified that an account is under review and pending investigation;
- The use of a County-issued credit card may be deactivated, suspended or cancelled;
- The authorized user may be issued a written warning;
- The authorized user may be placed on a 30-day suspension during which all charging privileges are suspended;
- The authorized user may be placed on a ninety (90) day suspension during which all charging privileges are suspended;
- The authorized user may be placed on a one-hundred eighty (180) day suspension during which all charging privileges are suspended;

- The authorized user is terminated from being an authorized user, and
- Discipline up to and including termination of employment in accordance with this policy and the Employee Handbook of Chester County.

The offending employee may also be subject to:

- Reimbursement to the County for any non-approved purchase(s). The purchase(s) would then become the property of the County.
- Subject to legal action by the County.
- The requirement of South Carolina sales tax if the purchase is deemed to be outside of the realm of a purchase for public purposes.

F. Termination of Cardholder

When a cardholder or authorized user ends employment with the County, the Human Resources Director is responsible to notify the Finance Director and/or Accounts payable **immediately**. The Human Resources Director will collect the credit card at the termination meeting and submit the credit card to the Finance Director and/or Accounts Payable thereafter. If the Human Resources Director is unable to collect the credit card when an employee is terminated, the Human Resources Director must immediately notify the Finance Director and/or Accounts Payable who will ensure that the credit card is terminated. Where the authorized user leaves the County voluntarily, that employee will be required to coordinate reconciliation of the card activity prior to ending employment.

XII. Appeals

A. Bid Protests

Any actual or prospective bidder, offeror, or contractor who is aggrieved in connection with the connection with the solicitation or award of a contract may protest in writing to the Director of Contracts and Procurement within fifteen (15) days of the date of the issuance of the Requests for proposals or other solicitations documents, whichever is applicable or any amendment thereto if the amendment is at issue. Protestors are urged to seek resolution of their complaints initially with the Director of Contracts and Procurement. A protest with respect to a request for bids or request for proposals shall be submitted in writing prior to the opening of bids or the closing date of proposals, unless the aggrieve person did not know and could not have known of the facts giving rise to such protest prior to bid opening or the closing date for proposals. The protest shall be submitted within ten (10) calendar days after such aggrieved person knows or should have known of the facts giving rise thereto.

In the event of a timely protest, the Director will not proceed further with the solicitation or award of the contract until all administrative and judicial remedies have been exhausted.

B. Contract Claims

All claims by a contractor against the County relating to a contract, except bid protest, shall be submitted in writing to the Director for a decision. The Director may request a conference with the purchasing agent on the claim. Claims include without limitation disputes arising under a contract, and those based upon a breach of contract, mistake, misrepresentations or other cause for contract modification or rescission.

The decision of the Director will be promptly issued in writing and mailed or otherwise furnished to the contractor. The decision will state the basis for the decision and will inform the contractor of its appellate rights.

The Director's decision will be final and conclusive unless within ten (10) calendar days from the date of the receipt of the decision, the contractor mails or otherwise delivers a written appeal to the Director or the commencement of an action in a court of competent jurisdiction.