



COMMISSIONERS COURT  
COMMUNICATION

REFERENCE NUMBER

PAGE 1 OF 72

DATE: 09/17/2024

SUBJECT: **CONSIDERATION OF TARRANT COUNTY PURCHASING  
POLICIES AND PROCEDURES MANUAL REVISIONS -  
AMENDMENT OF SECTIONS 2, 7, 8, 11, 14, 24, AND 29 AND  
ADDITION OF NEW SECTION 17**

**\*\*\* CONSENT AGENDA \*\*\***

**COMMISSIONERS COURT ACTION REQUESTED**

It is requested that the Commissioners Court consider and accept the amendments of Section 2, Section 7, Section 8, Section 11, Section 14, Section 24, and Section 29, and the addition of new Section 17 to the Tarrant County Purchasing Policies and Procedures Manual.

**BACKGROUND**

Purchasing hereby submits a recommendation to revise the County Purchasing Policies and Procedures Manual to reflect amendments to the following Sections:

Section 2	Definition of Terms
Section 7	General Purchasing Policy
Section 8	Specifications
Section 11	Solicitation Requirements for Purchases Exceeding \$50,000
Section 14	Construction Purchasing
Section 24	Procurement Card Procedures
Section 29	County Owned Assets

In addition, Purchasing hereby submits a recommendation to add the following Section to the County Purchasing Policies and Procedures Manual:

Section 17      Reverse Auction

The purpose of the revisions are to provide clarity and guidance to Tarrant County staff.

**FISCAL IMPACT**

There is no fiscal impact associated with this item.

SUBMITTED BY: Purchasing

PREPARED BY: Melissa Lee, C.P.M., A.P.P.  
APPROVED BY: Chris Lax, CPSM, CPSD, CPCP



## TAKINGS IMPACT ASSESSMENT CHECKLIST

Complete this form for any county action that involves the adoption of a regulation, policy, guideline, court resolution, or order.

Project/Regulation Name: Approval of Tarrant County Purchasing Policies and Procedures Manual Revisions - Amendment of Sections 2, 7, 8, 11, 14, 23, and 29 and Addition of New Section 17

County Department: PURCHASING

Contact Person: Melissa Lee, C.P.M., A.P.P.

Phone Number for Contact Person: (817) 884-3245

Type of TIA Performed: SHORT TIA or FULL TIA. Circle one after answering the questions in Sections II and III below.

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### I. Stated Purpose

Attach to this checklist an explanation of the purpose of the regulation, policy, guideline, court resolution, or order.

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**Note: The remainder of this Takings Impact Assessment Checklist should be completed in consultation with the Criminal District Attorney's Office.**

### II. Potential Effect on Private Real Property

1. Does the county action require a physical invasion, occupation, or dedication of real property?

Yes \_\_\_\_\_ No ✓

2. Does the county action limit or restrict a real property right, even partially, or temporarily?

Yes \_\_\_\_\_ No ✓

If you answered yes to either question, go to Section III. If you answered no to both, STOP HERE and circle SHORT TIA at the top of the form.

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Maintenance Bond - A guarantee that promises against defective workmanship and materials. For a contract in the amount of the contract guaranteeing the prompt, full and faithful performance of the general guaranty and warranty contained in bid documents for a determined period after work has been completed and accepted by Tarrant County.

Payment Bond - A guarantee that promises payment to subcontractors and suppliers on a contract during performance. It must be submitted prior to any work. It is normally one hundred percent (100%) of the contract price and is in the form of a financial guarantee provided by a surety but can be cashiers or certified check. It is normally maintained until expiration of any required warranty. If the contractor fails to pay subcontractors and suppliers, then the payment bond is "called" for the amount of non-payment.

Performance Bond - A guarantee that promises that the contract will be performed as required. It must be submitted prior to any work. Normally it is one hundred percent (100%) of the contract price and is in the form of a financial guarantee provided by a surety but can be cashiers or certified checks. It is normally maintained until expiration of any required warranty. If the contractor fails to perform and complete the contract as required, then the performance bond is "called" for the amount required to complete the contract. A surety that provides a bond may be permitted to "take over" a failed or defaulted contract.

Change Order - A written alternation that is used to modify or amend a contract or purchase order.

Commissioners Court - Tarrant County Commissioners Court.

Commodity - Generally, the term means supplies, materials or equipment.

Competitive Bidding - The process of inviting and obtaining bids from competing suppliers, by which an award is made to the lowest responsive bid from a responsible bidder meeting written specifications.

Competitive Proposal Process - Allowing available vendors compete with each other to provide goods and services in compliance with Texas Local Government Code Chapter 262.

Component Purchases - Purchases of the component parts of an item that in normal purchasing practices would be purchased in one purchase.

Contract - A formal written agreement executed by the County and a vendor containing the terms and conditions under which goods and services are to be furnished to the County. A contract, when properly signed by the authorized County representatives, is a commitment for County funds.

Contractor - A business entity or individual that has a contract to provide goods or services to the County.

Formal Competitive Bidding – The bidding process in compliance with Texas Local Government Code Section 262.023, which requires approval by the Commissioners Court.

Goods – Anything purchased other than services or real property. Objects that can satisfy people's needs.

Grant - An award of financial assistance, including cooperative agreements, in the form of money, property in lieu of money, or other financial assistance paid or furnished by the state or federal government to carry out a program in accordance with rules, regulations and guidance provided by the grantor agency. The term does not include technical assistance that provides services instead of money, or other assistance in the form of revenue sharing, loans, loan guarantees, interest subsidies, insurance, or direct appropriations. Also, the term does not include assistance, such as a fellowship or other lump sum award, for which the grantee is not required to account.

Inspection - Examination and/or testing of merchandise to determine whether it has been received in the proper quantity and condition and to verify that it conforms to the applicable specifications.

Invitation for Bid or IFB – Specifications and formal bidding documents requesting pricing for a specified good and service that has been advertised for bid in a newspaper.

Invoice - Document from a contractor requesting payment for goods delivered and/or services rendered.

Lease – A contract for the use of personal property for a period of time for a specified compensation.

Local Government - A county, municipality, school district, special district, junior college district, or other legally constituted political subdivision of the State.

Lowest Responsible Bid – The offer from the responsible bidder who submits the lowest and best bid meeting all requirements of the specifications, terms, and conditions of the request for bid. It expressly is understood that the lowest responsible bid includes any related costs to the County in a total cost concept. The term "responsible" refers to the financial and practical ability of the bidder to perform the contract and takes into consideration the past performance of the vendor.

Material Group – A means of classifying goods and services with a unique group number assigned to each description.

Material Master Record – Provides a unique number for each material maintained in the SAP database (not all ordered materials are maintained in SAP).

Modification – A written alternation to a provision of any contract accomplished by mutual agreement of the parties to the contract.

Purchase Requisition – A department request authorizing the Purchasing Department to enter into a contract to purchase goods or services and charge the expenditure to the appropriate department budget. This automated form is for internal use and cannot be used by a department to order material directly from a vendor.

Purchasing Act – Chapter 262, Subchapter C of the Texas Local Government Code that governs the conduct of purchasing activity for counties.

Purchasing Board – A board comprised of three (3) District Judges and two (2) members of the Commissioners Court of the County who are responsible for appointing the Purchasing Agent and approving the department's budget.

Purchasing Department – Tarrant County Purchasing Department and its staff.

Quote –Pricing information from a source.

Request for Information or RFI – A general request to contractors for information for a potential future solicitation which is used as a research and information gathering tool for preparation of specifications and requirements. Must be issued by the Purchasing Department.

Request for Offer or RFO – A process for soliciting offers from three (3) catalog vendors authorized by the General Services Commission pursuant to Texas Government Code, Chapter 2157, and negotiating with them for the best value and purchase in the best interests of Tarrant County.

Request for Proposals or RFP – A document requesting an offer be made by a vendor, which allows for negotiation after a proposal has been received, but before the award of the contract for goods or services procured in compliance with Texas Local Government Code, Section 262.0295 or 262.030.

Request for Qualifications or RFQ – A document that requests details about the qualifications of professionals whose services must be obtained in compliance with the Professional Services Procurement Act in compliance with Texas Local Government Code 2254. Sharing same acronym but unrelated to a request for quotation.

Request for Quotation or RFQ- Purchasing method generally used for small orders under a certain dollar threshold. A request is sent to suppliers along with a description of the commodity or services needed and the supplier is asked to respond with price and other information by a predetermined date. Evaluation and recommendation for the award should be based on the quotation that best meets price, quality, delivery, service, past performance, and reliability. Sharing same acronym but unrelated to request for qualification.

Request for Services or RFS – A document that requests information about qualifications and details of service to be provided, and costs for services that the Commissioners Court orders exempt in compliance with Texas Local Government Code, Section 262.024(a)(4).

performance, non-performance, or false statements. This is a temporary action which may last up to one (1) year and is effective immediately.

User Department – The department from whose budget line item from which the contract is paid.

Vendor – A person or entity that provides good and services.

1. On typical purchases that are less than \$50,000, departments should allow a two to three (2-3) week time frame;
2. On typical purchases that are over \$50,000, departments should allow twelve - eighteen (12-18) weeks' time frame.

Note that the time estimates for solicitations begin when all required documents are delivered to Purchasing. In addition, a first-in-first-out (FIFO) queueing method, with limited exception, will be used when the number of solicitation requests exceed current capacity.

Departments must assure that all employees involved in making departmental purchase requests have read and understood the procedures in this manual.

The Purchasing Department must review all purchase requests and ensure they are descriptive and specific, but do not prevent competitive bidding for comparable goods.

Since there is no central receiving location in the County, each department is responsible for receiving goods and services. Departments should promptly alert Purchasing of any shortage, late delivery, damaged merchandise, or any other problem relating to the vendor's performance. A simple written explanation, if possible, can be placed in the electronic bid file for future consideration at the time contracts are brought to the Commissioners Court for award.

It is hoped that departments understand and appreciate that the nature of public purchasing is to review and consider all purchase requests in order to promote competitive bidding.

#### *7.3 Consideration of Purchase of Excess or Surplus Property*

In lieu of purchasing new equipment and property, the Purchasing Agent may approve the purchase of purchasing excess or surplus property from local, state, or federal sources. It may be determined that the purchase of excess or surplus property provides a cost benefit or immediate availability to equipment with a long lead time.

Chapter 771 ("Interagency Cooperation Act") of Texas Government code states:

***"Sec. 771.003. AUTHORITY TO CONTRACT; EXCEPTIONS. (a) An agency may agree or contract with another agency for the provision of necessary and authorized services and resources."***

#### *7.4 Consideration Of Safety Records*

In determining who is a responsible bidder, the Commissioners Court may take into account the safety record of the bidder, of the firm, corporation, partnership, or institution represented by the bidder, or of anyone acting for such a firm, corporation, partnership, or institution as defined in Texas Local Government Code 262.0275. This consideration can only occur if:

1. the Commissioners Court has adopted a written definition and criteria for accurately determining the safety record of a bidder,

reference the Tarrant County purchase order number in to be processed. No payments shall be made on invoices not itemized or those invoices which do not listing a purchase order number.

7. Continuing specification-related vendor non-performance will be a basis for the termination of the contract by Tarrant County. Tarrant County will not pay for work, equipment, or supplies which are unsatisfactory. The Vendor may be given an opportunity to correct the deficiencies before termination. This, however, does not negate the basis for termination for non-performance.
8. The contract may be terminated by either party upon written thirty (30) day notice prior to cancellation. Tarrant County shall have the right to cancel for default of all or any part of the undelivered portion of this order if the seller breaches any of the terms hereof including warranties of the seller or if the seller becomes insolvent or commits acts of bankruptcy. Such right of cancellation is in addition to and not in lieu of any other remedies that the County may have in law or equity.
9. Bids or proposals will be considered non-responsive if they show any omissions, alteration of form, additions or conditions not called for, or inconsistencies of any kind. However, Tarrant County reserves the right to waive any inconsistencies and to make an award in the best interest of Tarrant County. Bids or responses may be rejected, among other reasons, for inconsistencies or unbalanced value of any items.
10. Bids or proposals may be disqualified for any of the following specific reasons:
  - a. Reason for believing collusion exists among the Bidders or Respondents.
  - b. Reasonable grounds for believing that any Bidder or Respondent is interested in more than one (1) Bid or Response for the work contemplated.
  - c. Bidder or Respondent being interested in any litigation against Tarrant County.
  - d. Bidder or Respondent being in arrears on any existing contract or having defaulted on a previous contract.
  - e. Lack of competency as revealed, including, but not limited to, a financial statement, experience, equipment, and questionnaire responses.
  - f. Uncompleted work, which in the judgment of Tarrant County, will prevent or hinder the prompt completion of additional work, if awarded.
  - g. Bidders or Respondents shall not owe delinquent property tax in Tarrant County.
  - h. Limited competition.
11. Any material that is to be considered confidential must be clearly marked as such and shall be treated as confidential to the extent allowable under Texas Government Code Section 552. Notice will be sent to you pursuant to this section if Tarrant County receive an open records request to inspect your bid. This notice



necessary facilities, staff, and workspace in order to conduct audits. Tarrant County will provide the Vendor with reasonable advance notice of intended audits. The Vendor must provide records within ten (10) business days or a mutually agreed upon timeline.

16. In providing the services required by this Agreement, the vendor must observe and comply with all applicable federal and state statutes, ordinances, rules, and regulations, including, without limitation, workers' compensation laws, minimum and maximum salary and wage statutes and regulations, and non-discrimination laws and regulations. Vendor shall be responsible for ensuring its compliance with any laws and regulations applicable to its business, including maintaining any necessary licenses and permits.

7.6 Tarrant County Special Terms and Conditions

**1. CRIMINAL BACKGROUND CHECK:**

A. If this contract requires that Vendor personnel access Tarrant County Data (either on-site or remotely) or access secure areas of Tarrant County Facilities, then Vendor personnel may be required to undergo a fingerprint-based Criminal Justice Information Services (CJIS) Background Check, a Human Resources Criminal Background Check, or a Sheriff's Criminal Background Check. Criminal Background Checks will be paid for by Tarrant County.

1. The Vendor must provide information, including, but not limited to, employee name, date of birth, a clear copy of employee's driver's license, and a copy of employee's social security card for each individual required to pass a Criminal Background Check.
2. Award of a contract could be affected by the Vendor's refusal to agree to these terms.
3. Failure of the Vendor to supply personnel who pass a Criminal Background Check could affect the award of the contract or could result in the termination of the contract.
4. The Criminal Background Check applies to the individual and not the Company.
5. Passing status must be maintained by Vendor personnel for duration of the contract.

**2. INFORMATION TECHNOLOGY HOSTED OR CLOUD SOLUTION:**

A. The following is only applicable when Vendor is providing Information Technology hosted or cloud solution:

**1. Confidentiality, Integrity, Availability (CIA)**

Vendor shall protect the Confidentiality, Integrity, and Availability (CIA) of all Tarrant County Data ensuring extra levels of security. All Tarrant County

otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

#### 7.6.2 WARRANTY PRODUCTS

The seller shall not limit or exclude any implied warranties and any attempt to do so shall render this contract voidable at the option of the county. The seller warrants that the goods furnished will conform to the specifications, drawings and descriptions listed in the bid invitation and to the sample(s) furnished by the seller, if any. If the event of a conflict between the specifications, drawings and descriptions, the specifications shall govern.

#### 7.6.3 SAFETY WARRANTY:

The seller warrants that the product sold to the county shall conform to the standards promulgated by the U.S. Department of Labor under the Occupational Safety and Health Act (OSHA) of 1970. In the event the product does not conform to OSHA standards, the county may return the product for correction or replacement at the seller's expense. In the event the seller fails to make the appropriate correction within a reasonable time, correction made by the county will be at the seller's expense.

#### 7.6.4 NO WARRANTY AGAINST COUNTY INFRINGEMENTS:

As part of this contract for sale the seller agrees to ascertain whether goods manufactured in accordance with the specifications attached to this agreement will give rise to the rightful claim of any third person by way of infringement or the like. The county makes no warranty that the production of goods according to the specifications will not give rise to such a claim, and in no event shall the county be liable to the seller for indemnification in the event that the seller is sued on the grounds of infringement or the like. If the seller is of the opinion that an infringement or the like will result, he will notify the county to this effect in writing within two weeks after the signing of this agreement. If the county does not receive notice and is subsequently held liable for the infringement or the like, the seller will save the county harmless. If the seller in good faith ascertains that production of the goods in accordance with the specifications will result in infringement or the like, this contract shall be null and void except that the county will pay the seller the reasonable cost of search as to infringements.

#### 7.5.37.6.5 Insurance Requirements

##### MINIMUM INSURANCE REQUIREMENTS

Vendor shall take out, pay for and maintain at all times during the prosecution of the work under the contract, the following forms of insurance, in carriers acceptable to and approved by Tarrant County.

- 1) Workers' Compensation/Employer's Liability a. Worker's Compensation — statutory b. Employer's Liability — \$500,000
- 2) Commercial General Liability: a. Bodily Injury/Personal Injury/Property Damage — \$1,000,000 per occurrence/\$2,000,000 aggregate
- 3) Auto Liability: a. Combined Single Limit (CSL) — \$500,000 per occurrence

b) Delivery to governmental entities located within Tarrant County will be at no charge or as otherwise provided for in the Award Document. Delivery charges, if any, for governmental entities located outside Tarrant County shall be negotiated between the Vendor and each governmental entity.

c) Tarrant County utilizes county purchase orders as its primary means of encumbering funds and pays for goods and services utilizing Vendor invoices. In the event governmental entities utilizing intergovernmental contracts use other payment methods, including but not limited to, purchasing cards, debit cards, check requests or other methods which cause the Vendor to incur service, processing, or other fees, these fees are the responsibility of that Governmental Entity, unless otherwise negotiated with the Vendor.

d) Vendor(s) awarded contract(s) resulting from bid will be responsible for providing to Tarrant County, at no additional charge, a complete list of all governmental entities currently utilizing the contract and their annual expenditures. This information should be provided ninety (90) days prior to the expiration of the contract, or as otherwise requested by Tarrant County.

Should other Governmental Entities decide to participate in this contract, would you, as the Vendor, agree that all terms, conditions, specifications, and pricing would apply? A "NO" answer could result in complete rejection of the bid.

7.5.57.6.7 Secondary/Alternate Award Agreement Confirmation

Secondary or Alternate Vendors serve in a backup capacity only. In the event the Primary is unable to honor the terms and conditions of the contract, the Secondary Vendor(s) may be called. If the Secondary Vendor is unable to honor the terms and conditions of the contract the Alternate Vendor(s) may be called. The Primary Vendor is the first contact. Use of the Secondary or Alternate Vendor(s) must be approved, in writing, by the Tarrant County Purchasing Agent or his designee in compliance with Texas Local Government Code 262.027(g).

1. In the event the Secondary or Alternate Vendors are called upon, they will offer the materials and services at their awarded price(s), or better. Any attempt to increase their awarded price(s) may cause the removal of the Vendor from the contract. Calling upon the Secondary or Alternate Vendors does not necessarily affect the status of any awarded Vendor, including the Primary Vendor.

2. If a Secondary or Alternate Vendor represents themselves as the Primary Vendor without written authorization from the Tarrant County Purchasing Agent, or his designee, the Secondary or Alternate Vendor may be removed from the contract.

Would you, as the Vendor, be willing to accept a Secondary or Alternate Award based on the above?

7.5.67.6.8 Disclosure of Interest in Award

The law states that a governmental entity may not enter into certain contracts with a nonexempt business entity unless the business entity submits a disclosure of

~~does not, and will not for the duration of the Contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the certification required by Section 2274.002 of the Texas Government Code does not apply to the Contract. If circumstances relevant to this provision change during the course of the Contract, Vendor shall promptly notify County.~~

7.5.107.6.12 Company's Primary Business Location

The Purchasing Office, subject to approval by the Commissioners Court when required, shall oversee the application of local preference for the purchase of goods or real property pursuant to Local Government Code §271.905 and may consider doing so on a case-by-case basis. In relevant situations, the Purchasing Office shall use the following criteria in determining whether to recommend a higher bid from a local vendor:

- a. the employment of residents of Tarrant County created through the award of the bid to the local vendor, and
- b. any increase in tax revenue created through the award of the bid to the local vendors.

7.6.13 Evaluation Criteria will include, but is not limited to the following:

1. Unit Price
2. Delivery
3. Bidder's past performance record with Tarrant County
4. Tarrant County's evaluation of Bidder's ability to perform
5. Tarrant County's experience with products bid
6. Special needs and requirements of Tarrant County
7. Results of testing samples (if needed)

7.6.14 Quantities indicated on the Line Items Tab are estimates based upon the best available information. Tarrant County reserves the right to increase or decrease the quantities to meet its actual needs without any adjustments in the bid price.

7.6.15 Any catalog, brand name or manufacturer's reference used is considered to be descriptive -- not restrictive -- and is indicative of the type and quality Tarrant County desires to purchase. Bids on similar items of like quality may be considered if the bid is noted and fully descriptive brochures are enclosed. If notation of substitution is not made, it is assumed the Vendor is bidding item specified. The Vendor will not be allowed to make unauthorized substitutions after award.

made rather than what the product or service does Respondents have very little discretion as to the methods or detailed processes to be used Agencies must ensure that processes are in place to properly inspect and test for compliance with the specifications.

#### 8.4.2 Performance

Where the goods or services are described in terms of required performance. They may include such details as required power, the strength of the material, test methods and standards of acceptability, and recommended practices. This type of specification is used most often for capital equipment. Performance specifications focus on outcomes or results rather than the process by which the products and services are produced. Respondents bear the burden of choosing the approach that will be utilized to accomplish the agency requirement. Performance specifications allow respondents to bring their own expertise, creativity, and resources to satisfy the agency requirement. Agencies must ensure that performance specifications are reasonable and measurable.

#### 8.4.3 Brand Name Or Equal

~~Lists of goods or services by brand name, model, and other identifying specifics. Products equal to the characteristics of the named brand are specified as acceptable. Usually, the composition of a brand name good and service is provided through labeling, but broader tolerances and less consistency from item to item may be expected as compared with standard goods. Other manufacturers may provide a nearly identical good under their own brand name. THIS METHOD WILL BE EMPLOYED BY THE TARRANT COUNTY PURCHASING DEPARTMENT ONLY IF THERE IS SOUND JUSTIFICATION. THE BURDEN OF JUSTIFICATION WILL REST WITH THE USER DEPARTMENT.~~ Descriptive specifications for products must provide those principal physical, functional or other characteristics that are essential to the minimum business needs while providing open and competitive bidding. The specifications should not include minimum or maximum restrictive dimensions, weights, materials or other characteristics that are unique to one brand name or would eliminate competition of other products. As a best practice, a minimum of two known acceptable manufacturer/brand names and model numbers that are currently being manufactured should be referenced as "or equal." Restrictive descriptive characteristics which are essential to the intended use may be included only if all the manufacturer/brands referenced in the solicitation can qualify. An example of a referenced brand or equal is as follows: Referenced Manufacturer/Brand, Product/Model Number or Equal: ABC Mfg No. 1234 or XYZ Mfg. Co. No. 556677. The solicitation should include a clause citing the purpose for the references as "or equal" and the submittal requirements for evaluation. For example, a solicitation clause for a referenced brand is as follows: Catalogs, brand names, or manufacturer's references are descriptive only and indicate type and quality desired. Bids on brands of like nature and quality will be considered. If proposing other than the referenced brands/model number, Bidder must provide the manufacturer, brand, or trade name, product number and provide complete descriptive information of product offered and include it with the bid. The evaluation of "or equal" offers shall be given full consideration and offers meeting the specification shall not be

## 11 Solicitation Requirements For Purchases Exceeding \$50,000

### 11.1 Definitions

A *solicitation* is any competitive prompt that requests for supplier participation. "Solicitation" is the overall term which contains "Invitation for Bids (IFB)", "Requests for Proposals" (RFP), "Requests for Qualifications" (RFQ).

#### 11.1.1 IFB's

*Competitive bidding* means the process of inviting and obtaining bids from competing suppliers by which an award is made to the lowest responsive bid from a responsible bidder meeting written specifications.

The Texas Supreme Court described it as follows:

*"Competitive bidding requires due advertisement, giving the opportunity to bid, and contemplates bidding on the same undertaking upon each of the same material items and services covered by the contract, upon the same thing. It requires that all bidders be placed on the same plane of equality and that they each bid upon the same terms and conditions involved in all the items and services and parts of the contract, and the proposals specify as to all bids the same or substantially similar specifications." (Texas Highway Commission v. Texas Association of Steel Importers Inc. 372 S.W.2d 525,527 (Tex. 1963))*

The term, "*formal competitive bidding*" will be used in this manual, and is generally used in public purchasing, when the bidding process is in compliance with Texas Local Government Code, 262.023 and requires approval by a governing board, such as the Commissioners Court.

"*Sealed*" bids will be used for contracts exceeding \$50,000. The Invitation for Bid (IFB) will be used to solicit bids from vendors in response to Tarrant County specifications and contractual terms and conditions. A returned, notice of award letter with a valid court order number or the issuance of a purchase order will form the contract between Tarrant County and the vendor.

Competitive proposals may be solicited through Request for Proposal (RFP) as defined in Texas Local Government Code 262.030(d).

#### 11.1.2 RFP's

Formal "sealed" Requests for Proposals (RFP) will be used to procure insurance, high technology goods or services, special services of landscape maintenance, recycling, and travel management that are expected to exceed \$50,000. The RFP will solicit proposals from vendors in response to the County's requirements, along with contractual terms and conditions. If a formal contract is required, it must be reviewed by the reviewed by the Criminal District Attorney's Office and approved by the Commissioners Court.

The solicitation will be published by the Purchasing Department in compliance with Texas Local Government Code 262.025.

A notice of the intended purchase must be published at least twice within a two-week period by a newspaper of general circulation in the County, with the first day of publication occurring before the 14<sup>th</sup> day before the date of the bid opening.

The notice must include the following (Texas Local Government Code 262.025):

- (1) the specifications describing the item to be purchased or a statement of where the specifications may be obtained;*
- (2) the time and place for receiving and opening bids and the name and position of the county official or employee to whom the bids are to be sent;*
- (3) whether the bidder should use lump-sum or unit pricing;*
- (4) the method of payment by the county; and*
- (5) the type of bond required by the bidder.*

#### 11.3.3 Pre-Bid Conference

The Purchasing Department will ensure that purchasing procedures are followed, as stated in Texas Local Government Code 262.0256, and the user department will provide technical information and ensure that technical standards are upheld. Purchasing will schedule the pre-bid conference and will assist in conducting the conference to the following extent:

1. Have all representatives sign the attendance roster.
2. Provide a brief introduction describing the project title, magnitude, and performance period.
3. Indicate whether there has been any addenda issued.
4. Discuss the role of Purchasing in the procurement and administration process.
5. Discuss Disadvantaged Business Enterprise (DBE) expectations or requirements as outlined in the appropriate section of the specifications.
6. Determine any issues discussed that require the issuance of an addendum. All addenda will be issued by the Purchasing Department and will only be issued if there are at least seven (7) days between the date of the addendum and the specified opening date. Shorter time frames will automatically delay the bid opening date by at least one (1) full week. The user department will provide Purchasing with the technical documentation (i.e., changes/additions to the plans or specifications). Purchasing will be responsible for posting the addendum.

#### 11.3.4 Mandatory Pre-Bid Conference

A mandatory pre-bid conference may be employed to ensure that vendors attend conference to become aware of important facts and enforce that only attendees be

and date received. The "Date Stamp Clock" in the Purchasing Department will serve as the official time clock for the purpose of identifying the date and time bids were received in the Purchasing Department.

- b. All bids received after the opening time will be returned unopened to the bidder with a letter from the Purchasing Agent notifying the bidder that the submitted bid was received after the due date and time. The Purchasing Department will record the name of the vendor's representative submitting the bid, as well as the time and date the bid was submitted. If a bid is received by mail, express mail, or courier, the delivery method will be reflected in the record.
- c. After bids are received, a secure place will be provided by the Purchasing Department for holding the bids until the opening date.
- d. On occasion, bids that are received in the mail, or by some other independent carrier, may be inadvertently opened. If this situation occurs, another Purchasing Department staff member will be called immediately to act as a witness that the details of the bid, particularly the price, were not reviewed and that the bid was again sealed by an employee of the Purchasing Department.

The above process will be followed in order to preclude any perception of favoritism or revealing bid prices or information. Having sealed bids publicly received and recording the submission of bids is intended to inhibit any perception that the Purchasing Department is manipulating the receipt of bids.

#### 41.3.611.3.8 Opening IFBs

Bids received from an IFB solicitation will be opened by the Purchasing Department and the preliminary tabulation will be publicly posted. Copies of preliminary bid tabulations may be downloaded from the eProcurement website. Note that preliminary bid tabulations are subject to change prior to award recommendation.

#### RFPs, RFQs

Sealed proposals in response to an RFP will be unsealed by the Purchasing Department in the eProcurement system. Only the names of vendors submitting proposals will be posted. The Purchasing Department will unseal the proposals on the date specified in the legal notice. The date specified in the legal notice may be extended by the Purchasing Department.

Proposals shall be opened to avoid disclosure of contents to competing Respondents and kept secret during the process of negotiation. All Proposals that have been submitted shall be open for public inspection after the contract is awarded, except for trade secrets and confidential information contained in the proposals and identified as such, which will be kept closed pending a ruling by the Texas Attorney General.



The Purchasing Agent will recommend contract award to the Commissioners Court in session. The Court shall, as defined in Texas Local Government Code 262.027(a):

1. Award the contract to the responsible bidder who submits the lowest and best bid, or
2. Reject all bids and publish a new notice.

If two (2) responsible bidders submit the lowest and best bid, the tie bid will be broken in accordance with the Court Order No. 60616, "Procedure for Awarding Tie Bids." Accordingly, the Purchasing Agent, or designee, shall oversee a coin flip to determine the successful vendor. The buyer responsible for the bid shall flip the coin. The first vendor listed on the tabulation sheet shall be "heads." The second vendor listed on the tabulation sheet shall be "tails." One to two impartial witnesses shall be on hand to determine the results of the coin flip. All participants shall certify the results by signing the tabulation sheet or a similar document.

A contract may not be awarded to a bidder who is not the lowest dollar bidder meeting specifications unless, before the award, each lower bidder is given notice of the proposed award and is given the opportunity to appear before the Commissioners Court to present evidence to refute the award recommendation in compliance with Texas Government Code 262.027(c).

After an award is made, a notice of award will be processed, with copies sent to the appropriate vendor and user departments as outlined in Texas Government Code 262.027(c).

#### RFPs

The award of the contract shall be made by the Commissioners Court to the responsible vendor whose proposal is determined to be the best evaluated offer resulting from negotiation, if necessary, and taking into consideration the relative importance of price and other evaluation factors set forth in the Request for Proposals (RFP).

#### RFQs

The result of an RFQ is a list of qualified vendors. Once the list of vendors is established, terms are negotiated.

#### 11.3.1011.3.12 Protest

A Protest is an objection by an interested party to a solicitation or award of a contract with the intention of receiving a remedial result.

The law requires that each non-awarded low bidder meeting specifications must be contacted and given the time and date of the award in Commissioners Court, affording them the opportunity to protest publicly, to which they are legally entitled as defined in Texas Local Government Code 262.027(h).

4. For Requests for Information, records will be retained as long as valuable after date of purchase, solicitation, or decision not to proceed with solicitation, as applicable.

Any solicitation utilizing federal funds will comply with 2 CFR §200.334.

Documents to be retain include, but are not limited to, solicitation documents, responses, method of solicitation, determination of award and price.

#### ~~11.3.13~~ 11.3.15 Modifications

The Commissioners Court delegates to the Purchasing Agent its authority to modify awarded contracts at any time in writing, if the changes do not increase the price of the contract and are within the general scope of the contract, including a change to any of the following as defined in Texas Local Government Code 262.0305:

1. Drawings, designs, or specifications when the goods to be furnished are to be specially manufactured for Tarrant County in accordance with the drawings, designs, or specifications.
2. Method of shipment or packaging.
3. Place of delivery.
4. Correction of errors of a general administrative nature or other mistake, the correction of which does not affect the price or scope of the contract and does not result in additional expense to the contractor.

#### ~~11.3.14~~ 11.3.16 Rebidding Annual Contracts

The Purchasing Department, via the eProcurement system monitors the expiration dates of all contracts. Purchasing should notify, by memo, user departments at least ninety (90) days before contract expiration and verify whether the goods or services need to be rebid. The user department will return the specifications and quantities sent from the Purchasing Department, with any additions, deletions, or corrections.

#### ~~11.3.15~~ 11.3.17 No Responses to Solicitations

In the event that no responsive bids or offers are received, Texas Local Government Code § 262.0225(d) states:

***"A county that complies in good faith with the competitive bidding requirements of this chapter [Texas Local Government Code, Chapter 262, entitled Purchasing and Contracting Authority of Counties] and receives no responsive bids for an item may procure the item under Section 262.0245."***

Texas Local Government Code § 262.0245: This Section requires the county purchasing agent to adopt procedures that provide for competitive procurement, to the extent practicable under the circumstances, for the county purchase of an item that is not subject to competitive procurement or for which the county receives no responsive bid. Procedures to Follow If the County has complied with the competitive bid process (Texas

underbids the lowest bid submitted by a responsible resident bidder by an amount that equal to or more than the amount by which a resident bidder would be required to underbid a nonresident Bidder to obtain a comparable contract in the state in which the:

- a) nonresident's principal place of business is located, or
- b) nonresident Bidder is a resident manufacturer.

For example, if a bidder's principal place of business is in Florida, the laws of Florida give the bidder a preference. The Florida bidder submit a bid of \$100,000 on a contract and a nonresident bidder submit a bid of \$105,000. The Florida bidder would be required to underbid the nonresident bidder by \$5,000. The Florida bidder would be required to underbid the nonresident bidder by \$5,000.

When a purchase is made using federal funds, Tarrant County shall conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

#### *14.4 Time & Material Agreements*

Tarrant County may use a time-and-materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time-and-materials type contract means a contract whose cost to Tarrant County is the sum of:

1. The actual cost of materials; and
2. Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

Each time and material contract must set a ceiling price that the contractor exceeds at its own risk. Further, Tarrant County will assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

A Time and Materials (T&M) contract is a type of cost-reimbursement which provides for acquiring supplies or services on the basis of:

- Direct labor hours at specified fixed hourly rates that include wages, overhead, general and administrative expenses, and profit; and
- Actual costs for materials.

Time and Materials contracts can only be reimbursed for the actual cost of materials. The County must **not** pay profit or fee to the contractor on materials, materials must only be paid at cost.

Labor rates under a Time and Materials contract must be **fully loaded** (i.e. they must include wages, overhead, general and administrative expenses, and profit). When negotiating the labor rates, the contractor must provide the County with its rate buildup or a breakdown of each component of the labor rate. The County can then use this information to Negotiate Profit as a Separate Element.

Tarrant County shall use Time and Materials contracts only:

- After determining that no other type of contract is suitable; and
- If the contract specifies a ceiling price that the contractor will not exceed except at its own risk.

This contract format generates an open-ended contract price and provides no positive incentive to the contractor for cost control or labor efficiency. Therefore, each contract **MUST** set a ceiling price that the contractor exceeds at its own risk. Tarrant County shall assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls. Tarrant County should avoid protracted use of Time and Materials contracts.

***“In determining who is a responsible bidder, the governmental entity may take into account the safety record of the bidder, of the firm, corporation, partnership, or institution represented by the bidder, or of anyone acting for such a firm, corporation, partnership, or institution if:***

- (1) the governing body of the governmental entity has adopted a written definition and criteria for accurately determining the safety record of a bidder;***
- (2) the governing body has given notice to prospective bidders in the bid specifications that the safety record of a bidder may be considered in determining the responsibility of the bidder; and***
- (3) the determinations are not arbitrary and capricious.”***

The definition and criteria for determining the safety record of a bidder for this consideration shall be:

1. If the bidder in response to questions in the safety record questionnaire reveals more than two (2) cases in which final orders have been entered by the Occupational Safety and Health Review Commission (OSHRC) against the bidder for serious violations of OSHA regulations within the last three (3) years, the County may determine whether to disqualify the bidder.
2. If the bidder in response to the questions in the safety record questionnaire reveals more than one (1) case in which the bidder has received citations for violations of environmental protection laws or regulations within the past three (3) years, the County may determine whether to disqualify the bidder. Environmental protection agencies include the Environmental Protection Agency (EPA), Texas Natural Resource Conservation Commission (TNRCC) and its past associated agencies, the Texas Water Commission, Texas Department of Health, Texas Control Board, and similar regulatory agencies of other states. Citations will include notice of violation, suspension/revocation of state or federal licenses or registrations, fines assessed pending criminal complaints, indictments or convictions, administrative orders, draft orders, final orders, and judicial final judgments.
3. If the bidder in response to the questions in the safety record questionnaire reveals that the bidder has been convicted of a criminal offense within the past ten (10) years that resulted in serious bodily harm or death, the County will determine whether to disqualify the bidder.

#### *14.9 Cost Analysis Process*

- Step 1: The Purchasing Department shall ensure the Independent Cost Estimate, completed prior to soliciting for the work, provides a breakdown of all cost components. If not, the Purchasing Department shall require that the User Department rework the Independent Cost Estimate to reflect a sufficient breakdown of all costs, including labor, material, administrative, overhead, and fee or profit.

mandated by 2 C.F.R. 200.325. The bonding company used by a contractor to provide payment and bonds must be listed with the Department of the Treasury's Listing of Approved Sureties.

#### *14.11 Bid Bonds*

Bid bonds will not be required for construction contracts that are less than \$50,000.

For a construction project on bid price over \$50,000, the contractor may be requested to furnish, with the bid, a cashier's check or bidder's bond payable to Tarrant County in an amount of not less than five percent (5%) of the largest possible total of the bid submitted and is subject to forfeit in the event the successful bidder fails to execute the contract documents within ten (10) days after the contract has been awarded.

#### *14.12 Power Of Attorney*

The attorney-in-fact who signs bid or contract bonds must file with each bond a certified and current copy of the power of attorney.

#### *14.13 Performance Bonds*

For all contracts in excess of \$100,000 for the construction, repair, or alteration of a public work, or the prosecution of completion of any public work, the contractor, before commencing work, must execute a performance, bond that:

1. is payable to Tarrant County, Texas,
2. is in the full amount of the contract,
3. is executed upon faithful performance of the work in accordance with the plans, specifications, and contract documents,
4. is solely for the protection of the County,
5. is executed by a corporate surety or sureties in accordance with the Insurance Code, and
6. is in a form approved by the Commissioners Court.

Any performance bond that is furnished by a contractor in attempted compliance with the requirements of Texas Government Code Annotated, Ch. 2253, will be construed as in conformity with that chapter in relation to rights created, limitations on the bond, and remedies provided.

#### *14.14 Payment Bonds*

For all contracts in excess of \$25,000 for the construction, repair, or alteration of a public work, or the prosecution of completion of any public work, the contractor, before commencing work, must execute a payment bond that:

1. is solely for the protection of all claimants supplying labor and materials in the performance of work provided in the contract,
2. is payable to Tarrant County, Texas, for the use of these claimants,
3. is in the full amount of the contract,
4. is executed by a corporate surety or sureties in accordance with the Insurance Code, and
5. is in a form approved by the Commissioners Court.

Management Department located at 100 East Weatherford Street, Suite 305 Fort Worth, Texas 76196.

2. All certificates shall provide Tarrant County with an unconditional thirty (30) days written notice in case of cancellation or any major change.
3. As to all applicable coverage, certificates shall name Tarrant County and its officers, employees, and elected representatives as an additional insured.
4. All copies of certificates of insurance shall reference the project name and bid number for which the insurance is being supplied.
5. The contractor agrees to waive subrogation against Tarrant County, its officers, employees, and elected representatives for injuries, including death, property damage, or any other loss to the extent it may be covered by the proceeds of insurance.
6. The Contractor/Vendor is responsible for making sure any sub-contractor(s) performing work under this agreement has the required insurance coverage(s) and supplies Tarrant County with the proper documents verifying the coverage.

#### *14.17 Indemnification*

The Contractor agrees to fully indemnify and save whole and harmless the County of Tarrant from all costs or damages arising out of any real or asserted claim or cause of action against it of whatsoever kind or character and in addition, from any and all costs or damages arising out of any wrongs, injuries, demands or suits for damages, either real or asserted, claimed against it that may be occasioned by any act, omission, neglect or misconduct of the said Contractor, his agents, servants, and employees.

#### *14.18 Pre-Bid Conference*

The Purchasing Department will ensure that purchasing procedures are followed, as stated in Texas Local Government Code 262.0256, and the user department will provide technical information and ensure that technical standards are upheld. Purchasing will schedule the pre-bid conference and will assist in conducting the conference to the following extent:

1. Have all representatives sign the attendance roster.
2. Provide a brief introduction describing the project title, magnitude, and performance period.
3. Indicate whether there has been any addenda issued.
4. Discuss the role of Purchasing in the procurement and administration process.
5. Discuss Disadvantaged Business Enterprise (DBE) expectations or requirements as outlined in the appropriate section of the specifications.

1. the relative prices of the bids, including the cost of repair and the cost of delivery and hauling,
2. compliance of goods and services offered with the bid specifications, and
3. the responsibility of the vendor, including the vendor's safety record, if the Commissioners Court has adopted a definition of safety that is included in the bid, and the vendor's past performance.

When the lowest priced bid is not the best bid, clear justification for not selecting the lowest bidder must be documented to the Court. This recommendation will be supported by clear and concise documentation from the user department that explains the rationale for awarding to other than the lowest bidder. A joint review of the bid by the user department and the Purchasing Department is required.

#### *14.23 Contract Award*

The Purchasing Department will recommend the contract award to the Commissioners Court in session. The Court shall, as defined in Texas Local Government Code 262.027(a):

1. Award the contract to the responsive and responsible bidder who submits the lowest and best bid, or
2. Reject all bids and publish a new legal notice.

If two (2) responsive and responsible bidders submit the lowest and best bid, the Purchasing Agent will determine the award recommendation in accordance with the Commissioners Court Order No. 60616, Procedure for Awarding Tie Bids, which is accomplished by a coin toss to decide the successful vendor for award as described in Texas Local Government Code 262.027(b).

If only one bid is received in response to a competitive procurement, Tarrant County must, upon request from the Federal awarding agency, make available for review the procurement documents, which may include Invitations for Bid documents or independent cost estimates.

As described in Texas Local Government Code 262.027(c), a contract may not be awarded to a bidder who is not the lowest responsive and responsible bidder meeting specifications unless, before the award, each lower bidder is given notice of the proposed award and is given an opportunity to appear before the Commissioners Court and present evidence to dispute that recommendation. After an award, the County Judge will sign the contract on behalf of the County, and the Purchasing Agent or designee will return the bid bonds of any contractor not awarded a contract.

After an award is made, a contract will be processed; originals or copies of the contract will be sent to all appropriate parties, whether for public works or nonpublic works contracts; and an original will remain on file in the Purchasing Department.

A Notice-of-Award (NOA) letter, which will be issued by the Purchasing Department, will accompany the contractor's copy of the contract. The NOA letter will include the requirements for submission of various documents by the contractor and the time period within which they



The occupant department must not provide any instructions or requests for changes directly to the contractor. The occupant department must provide all information necessary for the contractor to meet its needs, either through the user department responsible for constructing the facility or the Purchasing Department. Only the user department's project manager or the Purchasing Agent has the authority to give directions to the contractor.

The Purchasing Agent will take all steps related to correcting noncompliance with the contract but must consult with the Criminal District Attorney's Office before taking any steps toward suspension or termination of the contract unless an emergency, life safety, or property damage issues require immediate temporary work stoppage. Before any letters, notices, and other communications related to termination or suspension are issued, the contents of these must be reviewed by the Criminal District Attorney's Office, as the initial steps toward potential litigation.

Documentation of contractor performance is often overlooked and is, perhaps, one of the most important. To enforce contractual terms, documentation of specific noncompliance must be available. Specific dates, examples, etc., must be documented.

Contract administration duties shall include, but not be limited to, the following activities. Unless otherwise noted, the following are responsibilities of the Purchasing Department:

1. Schedule and assist in conducting the pre-construction conference.
2. Maintain a comprehensive, neat, and orderly contract file that includes all documentation relative to the procurement process and includes pre-solicitation, solicitation, contract award, post-award, and administration phases of the project.
3. The Purchasing Agent will present the contractor's performance bond and payment bond to the Commissioners Court for approval within thirty (30) days of award and before the Notice-to-Proceed.
4. The Purchasing Agent will be responsible for monitoring the continued insurance coverage and obtaining updated certificates on a timely basis.
5. Receive and review a copy of the contractor's program schedule, ensuring that it is submitted within the period as specified in the contract specifications.
6. Ensure contractor submittals are provided to the County as prescribed by the submittal schedule established during the pre-construction conference.
7. Receive and review copies of contractor payrolls to ensure payments made to contractor employees are in accordance with the prevailing wage rate classification by trade included in the contract.
8. Perform periodic site visits to the construction site to perform spot labor interviews to ensure contractor compliance with prevailing labor laws.

2. To allow for a contract time extension if the change order does not change the scope of the contract.
- B. Any change orders that increase the cost or change the scope of the contract must be approved by the Commissioners Court. The Facilities Management Department will submit the agenda request to the Commissioners Court for approval.
  - C. Negotiations of change orders, particularly those that result in an increase in contract price or performance period, or change the scope of the project, will require that Purchasing be notified on a timely basis so the appropriate action can be taken. Purchasing shall always be provided with a copy of the proposed change order, with all available supporting documentation.
  - D. No change order will be issued until it is determined that the necessary funds are budgeted and available, and the appropriate backup documentation has been reviewed.
  - E. A record of any change order negotiations shall be made by the user department, with a copy sent to Purchasing.

#### *14.27 Closeout Procedures*

The Purchasing Department will ensure that all applicable warranty certificates are received and safeguarded throughout the warranty term. The Purchasing Department will provide copies of the warranty certificates to the appropriate departments.

Return of bonds will be administered by the Purchasing Department in cooperation with the user department to ensure that the contract is complete in all respects before these are returned.

### **17.6 Evaluation and Award**

1. After the auction concludes, Purchasing will evaluate the bids to ensure compliance with the specifications and terms.
2. The contract will be awarded to the lowest responsive and responsible bidder who meets all the requirements as stipulated in the auction documentation.
3. The Purchasing Agent will recommend contract award to the Commissioners Court in session. The Court shall, as defined in Texas Local Government Code 262.027(a):
  1. Award the contract to the responsible bidder who submits the lowest and best bid, or
  2. Reject all bids and publish a new notice.

### **17.7 Documentation & Record Keeping Procedures**

Detailed records of the auction, including all bids submitted, will be maintained as part of the procurement file in accordance with record retention policies.

### **23.224.2** *Forms Attached*

1. "U.S. Commercial Card Application Form"
2. "Employee Agreement"
3. "Purchasing Log"

### **23.324.3** *Definitions*

Vendor: A company from which a Cardholder is purchasing materials and/or equipment or services under the provisions of this procedure.

Cardholder: Personnel who have been issued Procurement Cards and who are authorized to make purchases in accordance with these procedures.

Department Head/Elected Official/designee: This individual must review and approve Cardholder's monthly Statement of Account(s) and the required documentation. Approval indicates that transactions were authorized and were made in accordance with the applicable policies and procedures. Each Department Head/Elected Official may designate one or more Department Reviewers or Approvers for their Cardholder. A list of designees **must** be provided to Audit.

Coordinator: The County Purchasing Agent is responsible for all program details, including all Cardholder inquiries.

Employee Agreement: The Cardholder, Department Head/Elected Official understand this policy and the responsibilities of the Cardholder.

Point of Sale: A retail, supply house, or similar location that the Cardholder may make a purchase over the counter and leave with the goods or receive the service immediately.

Procurement Card: A credit card but used in a business environment with limits on Cardholder usage.

Purchasing Log: Monthly listing or log of each Procurement Card transaction and other prescribed information that is formulated by the Cardholder and submitted with the monthly Statement of Account and other documentation.

Receipt: A document to verify the transactions and amounts shown on the monthly Statement of Account.

Statement of Account: A monthly listing of all transactions by the Cardholder, issued by the bank directly to the Cardholder and the coordinator.

Single Purchase Limit: A dollar amount limitation of purchasing authority delegated to a Cardholder. This dollar limit has been established by the Commissioners Court.

### **23.424.4** *Procedures*

#### **23.4.124.4.1**

1. A Procurement Card can dramatically shorten processing time necessary in the traditional requisition process. This program is being established to provide

extenuating circumstances were to occur, the Coordinator or Auditor should be consulted immediately for guidance. Exceptions to the monetary limits and commodity restrictions will be determined by the Coordinator. Periodically, Cardholders' spending will be subjected to limit reviews, and card limits may be adjusted as appropriate.

- b) All items purchased must be available immediately at the time of Procurement Card use, with no back ordering allowed.
- c) Payment for a purchase **CANNOT** be split into multiple transactions to stay within the Single Purchase Limit or the monthly card limit unless authorized by the Coordinator.
- d) All travel related expenses must comply with the County's Travel and Meetings Policy. Any cancellations should be done as soon as possible to avoid and fees or charges. The Cardholder may use the card for a non-Cardholder employee, but the Cardholder is responsible for obtaining documentation of charges as prescribed by this policy.
- e) The Cardholder must inform the Vendor that goods and services are tax exempt. Purchasing can provide sales tax exempt form.
- f) The Cardholder will maintain a Purchasing Log that provides a summary of all Procurement Card transactions.

#### **23.4.424.4.4** Unauthorized Procurement Card Use

1. The Procurement Card **WILL NOT** be used for the following:
  - a) personal purchases;
  - b) Goods or services that could be paid by purchase order or check request;
  - c) Controlled inventory assets;
  - d) Purchases involving trade-in;
  - e) a single purchase that exceeds the \$1,000.00 per transaction, including freight, unless authorized in advance by the Coordinator;
  - f) entertainment expense;
  - g) cash advances, including gift cards unless authorized in advance by the Coordinator;
  - h) telephone services; and
  - i) monthly service fees unless authorized in advance by the Coordinator.

Department Head/Elected Officials/designees may enact a more restrictive policy regarding usage of cards within their respective departments.

Cardholders are expected to exercise sound business judgment and to direct inquiries about the Procurement Card Procedures to the Coordinator before making any purchases that may be construed as inappropriate or which the Cardholder does not know to be reasonable and necessary for the official business purposes of the County.

Purchases that will be charged against a grant account must fall within the grant guidelines. This is the responsibility of the Cardholder to verify.

23.4.624.4.6 Cardholder Responsibilities

- a. Whenever a Procurement Card purchase is made, documentation must be retained as proof of the purchase. Such documentation will be used to verify the purchases listed on the Cardholder's monthly Statement of Account and must contain specific information of each item purchased. Examples of documentation includes invoices and a customer copy of the charge receipt. If you have lost the appropriate required documentation or if the merchant did not provide documentation, contact the merchant directly to obtain it.
- b. The Cardholder must retain the invoice and original customer copy of the charge receipt. Before signing this slip, the Purchasing Cardholder is responsible for making sure the Vendor lists the quantity, fully describes the item(s) on the charge slip and charges no sales tax. The transaction's details should also be added to the Cardholder's Purchasing Log.
- c. Documentation must include a list of attendees for business-related luncheon and meals. Expenses must comply with the County's Travel and Meetings Policy.
- d. A lost purchase receipt must be replaced by a duplicate/copy receipt from the Vendor.

23.4.724.4.7 Review of Monthly Statement of Account

At the end of each billing cycle, the Cardholder will receive a monthly Statement of Account from the bank that lists the Cardholder's transaction(s) for that period.

The Cardholder must check each transaction listed against the Purchasing Log, receipts, and any shipping documents to verify the transactions and amounts shown on the monthly Statement of Account.

The original sales documents (packing slip, invoice, or receipts) for all items listed on the monthly Statement of Account **MUST** be neatly attached, in Purchasing Log sequence, to the Statement of Account to allow audit substantiation. **IF THIS POLICY IS NOT ADHERED TO, THE PROCUREMENT CARD WILL BE REVOKED.**

After this review, the Cardholder must sign the Statement of Account and present the monthly Statement of Account, along with the supporting documentation, to approving supervisor for approval and signature within two days of receiving.

#### 23.4.824.4.8 Monthly Statement of Account

The Cardholder must review the monthly Statement of Account, attach the relevant documentation, obtain the Department Head/Elected Official/designee's review and approval and then forward the packet to the Coordinator within four (4) days after receipt of the Statement of Account. More than two (2) reminders to a Cardholder that a monthly Statement of Account is delinquent and/or failure to provide the required supporting documentation for the transactions, including the Purchasing Log, will be grounds for the Coordinator to revoke or suspend Procurement Card privileges.

Upon receipt of statements and documentation, the Coordinator will review the information for reasonableness. The Coordinator will forward the statements and documentation for payment.

The original sales documents (packing slip, invoice, cash register tape, credit memos, etc.) for all items listed on the Purchasing Log must be neatly attached, in purchasing sequence, to the monthly Statement of Account. This attachment is critical to enable the Coordinator's and Auditor's review. If this routine is not adhered to, the Purchasing Card will be revoked. The careful matching of complete support documents to the Purchasing Log and then to the monthly Statement of Account is vital to the successful use of the Purchasing Card. The Cardholder must sign the Purchasing Log and present the supporting documentation to their Department Head/Elected Official/designee for approval and signature. The approval from Reviewer/Approver indicates the authorized transactions were made in accordance with the applicable policies and procedures.

Once approved by the Department Head/Elected Official/designee, the Cardholder must ensure the completed Purchasing Log and supporting documentation is submitted to the Coordinator. Upon receipt of the Statement of Accounts, Purchasing Log, and supporting documentation, the Coordinator will review the packet. The Coordinator will then forward the Statement of Accounts and documentation to the Auditor's Office for payment.

#### 23.4.924.4.9 Card Security

- a. It is the Cardholder's responsibility to safeguard the Procurement Card and account number to the same degree that a Cardholder safeguards personal credit information.
- b. The Cardholder must not allow anyone to use the account number without the Cardholder's permission. A violation of this trust will result in that Cardholder having the card revoked, suspended, and possible disciplinary action.
- c. If the card is lost or stolen, the Cardholder must immediately notify the bank at 1-800-316-6056. Representatives are available 24 hours a day. Cardholder must advise the representative that the call is regarding a MasterCard Purchasing Card. The Coordinator must also be notified immediately.
- d. A new card will be promptly issued to the Cardholder after the reported loss or theft. A card that is subsequently found by the Cardholder after being reported lost must be destroyed by the Coordinator.





**PURCHASING LOG**  
**FOR PURCHASING CARD TRANSACTIONS**  
 BY \_\_\_\_\_  
 DEPARTMENT \_\_\_\_\_  
 PURCHASING CARD ACCOUNT NUMBER \_\_\_\_\_  
 DATE \_\_\_\_\_  
 VENDOR \_\_\_\_\_

**BELOW DESCRIBE IMMEDIATE ACCESS OF GOODS OR SERVICES OR WORK STOPPAGE SITUATIONS. PROVIDE A DETAILED DESCRIPTION OF WHAT WAS PURCHASED AND WHY IT WAS A WORK STOPPAGE SITUATION. FOR ALL OTHER PURCHASES, INCLUDE EMAIL FROM PURCHASING AGENT COORDINATOR CONFIRMING PRIOR APPROVAL.**

ITEMS PURCHASED	QUANTITY	UNIT PRICE	AMOUNT	ACCOUNT CODING
1.		\$	\$	
2.		\$	\$	
3.		\$	\$	
4.		\$	\$	
5.		\$	\$	
6.		\$	\$	
7.		\$	\$	

**Attach Additional Sheet(s) if required**

**I CERTIFY THE ABOVE LISTED ITEMS WERE PURCHASED TO PROVIDE IMMEDIATE ACCESS OF GOODS OR SERVICES OR RELIEVE A WORK STOPPAGE AND THE ITEMS WERE RECEIVED AND UTILIZED BY THE COUNTY.**

**Prepared By** \_\_\_\_\_ **Date** \_\_\_\_\_

**Approved By** \_\_\_\_\_ **Date** \_\_\_\_\_

Low Value Furniture, and Equipment Assets – Furniture and equipment valued of \$1,500 - \$4,999.

Low Value Technology Assets – Technology assets such as computers, printers, and scanners valued at \$500 to \$1,499.99.

Missing Assets – Assets not located but recovery is anticipated within a year.

Salvage Property – Because of use, time, or accident, property so worn, damaged, or obsolete it has no value for the purpose for which it was originally intended but may have some salvage value.

Stolen Assets – Assets considered unrecoverable, requiring a police report. Reportable to Commissioners Court.

Surplus Property – Property not in use but considered to have future usefulness, either as originally intended or otherwise.

#### **28.429.4** *Policy*

##### **28.4.129.4.1** *Responsibilities By Department*

##### **28.4.229.4.2** *Purchasing Department*

Local Government Code 262.011(i) states, “On July 1 of each year, the county purchasing agent shall file with the county auditor and each of the members of the board that appoints the county purchasing agent an inventory of all the property on hand and belonging to the county and each subdivision, officer, or employee of the county.”

Local Government Code 262.011(j) states, “To prevent unnecessary purchases, the county purchasing agent, with the approval of the commissioners court, shall transfer county supplies, materials, and equipment from a subdivision, department, officer, or employee of the county that are not needed or used to another subdivision, department, officer, or employee requiring the supplies or materials or the use of the equipment. The county purchasing agent shall furnish to the county auditor a list of transferred supplies, materials, and equipment.”

##### **28.4.329.4.3** *Auditor's Office*

Local Government Code states “The county auditor shall carefully examine the inventory and make an accounting for all property purchased or previously inventoried and not appearing in the inventory.”

##### **28.4.429.4.4** *All Departments*

Each Department Head has the primary responsibility for safeguarding all technology, vehicles, heavy equipment, furniture, and other equipment assigned to their department. Annually, each Department Head must ensure that an annual inventory is performed to account for all high value and low value furniture and equipment assigned to their department as recorded in the Tarrant County fixed asset inventory system. The Department Head shall sign and verify the inventory list using the Asset Inventory

This form should then be forwarded to Purchasing, while the originating department retains a copy for their files. Facilities Management is responsible for the physical movement of all assets if needed, with the exception of technology assets. Facilities Management will not transfer any asset without completing Form FA-01.

ITD is responsible for the transfer of *all* technology assets. Any transfers should be documented by an ITD Transfer Sheet. ITD is also responsible for updating the fixed asset system to show the new location of a transferred technology asset.

#### **28-5.329.5.3** *Disposal of Assets*

Assets that are no longer needed or are damaged, worn or replaced by a new asset may be sent to the Purchasing warehouse for disposal or auction. The disposal of these assets must be documented on Form FA-01, Transfer or Disposal of County Assets. This form should then be forwarded to Purchasing, while the originating department retains a copy for their files. Excluding technology assets, Facilities Management is responsible for the physical movement of these assets to the warehouse after completing Form FA-01. Technology assets will be moved by ITD and prepared for disposal or auction after completing the Transfer Sheet. Grant Assets require approval by the granting agency prior to disposal.

The Commissioners Court may authorize the Purchasing Agent to dispose of salvage items. Surplus or salvage assets may be sold by competitive bid or auction by the Purchasing Agent as provided in Section 263.152 of the Local Government Code. The statute also allows the Commissioners Court to offer the property as a trade-in for new property of the same general type if deemed in the best interest of the county. Any stolen, abandoned or confiscated property seized by a peace officer may be disposed of in accordance with Article 18.17, Texas Code of Criminal Procedure.

#### **28-629.6** *Lost/Stolen Property*

The Department Head must report, in writing, any lost or stolen property immediately to the Purchasing Agent. Stolen property must be reported to the proper law enforcement agency, and a copy of the police report must be provided to the Purchasing Agent. If an asset cannot be located or recovered, it will be removed from the department's asset inventory upon approval by the Commissioners Court.

#### **28-729.7** *Surplus Assets From Warehouse*

Excluding technology assets, Purchasing will maintain a comprehensive list of assets stored at the warehouse. All county departments are urged to contact Purchasing if they are in need of any particular asset prior to purchasing one. Assets received from the warehouse must be documented on Form FA-01, Transfer or Disposal of County Assets. This form should then be forwarded to Purchasing, while the originating department retains a copy for their files. Facilities Management is responsible for the physical movement of the asset from the warehouse to the using department only after Form FA-01 has been completed.

Any discrepancies between the physical inventory and the Asset Inventory Report should be noted. Some examples of discrepancies may include a description, location, serial numbers, etc.

Purchasing should be notified immediately of the disposition of any of the inventory assets. If a department is disposing of an asset, it should be documented with a form (FA-01) and submitted to Purchasing. If a department is disposing of an asset, it should be documented with a form (FA-01) and submitted to Purchasing. If a department is disposing of an asset, it should be documented with a form (FA-01) and submitted to Purchasing.

Upon completion of the inventory, the department's Asset Coordinator should forward the updated Annual Asset Inventory Report and a copy of the Asset Inventory Verification Form, Form FA-02, signed by each Assets Coordinator and the Department Head/Elected Official, verifying the report's accuracy to Purchasing. Any completed Transfer or Disposal of County Assets forms (FA-01) documenting asset status changes should also be sent to Purchasing at this time.

Upon completion of the inventory of technology assets, ITD should forward the updated Asset Inventory Report and a copy of the Asset Inventory Verification Form, Form FA-02, signed by the department's Asset Coordinator, Department Head, and the Chief Information Officer, to Purchasing.

**28-1229.12** *Receipt And Update Of Department Annual Asset Report*

After receipt and review of the department's annual Assets Inventory Report, Purchasing will correct any asset locations recorded in the county's fixed asset inventory system.

**28-1329.13** *Reconciliation Of Actual To Recorded Inventory*

The Auditor's Office will perform a reconciliation of the physical inventory to the inventory recorded and the fixed asset inventory system. The Auditor's Office will also request Commissioners Court approval for the removal of any lost or stolen assets from the fixed asset inventory system. -Commissioners Court approval is not required for the Auditor's Office to deactivate assets that are no longer required to be tracked or change of asset classification.

For questions, please contact the Purchasing Dept. Fixed Asset Coordinator:  
Phone: 817-223-3290 Email: [Klhendricks@tarrantcounty.com](mailto:Klhendricks@tarrantcounty.com) Fax: 817-884-2629

## **TARRANT COUNTY**

### **ASSET INVENTORY VERIFICATION FORM**

The annual inventory, through physical observation where applicable, of assets in the Tarrant County Department listed below has been conducted in accordance with the instructions provided. The printout of the stated Department with corrections and any other applicable forms is verified to be accurate. By signing below, the Official/Department Head accepts full responsibility for the inventoried assets assigned to the department listed.

**DEPARTMENT:** \_\_\_\_\_

**AUTHORIZED PERSON WHO VERIFIED INVENTORY:** \_\_\_\_\_

PRINT NAME

\_\_\_\_\_  
SIGNATURE / DATE

**DEPARTMENT HEAD:** \_\_\_\_\_

PRINT NAME

\_\_\_\_\_  
SIGNATURE / DATE

\*\*\*\*\*

*PURCHASING DEPARTMENT USE ONLY*

**DATE FORM RECEIVED:** \_\_\_\_\_

**PROCESSOR'S SIGNATURE:** \_\_\_\_\_

FORM NO. FA-02