

BEAUFORT COUNTY COUNCIL



PURCHASING AND FINANCE

POLICY AND PROCEDURES MANUAL

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HELPFUL LINKS:

The Public can find additional information on our County website at www.beaufortcountysc.gov

For an electronic copy of this manual and all associated forms:

<http://bcweb/BCForms>

The web site access to the County of Beaufort Procurement Ordinance 96-13 is:

https://www.municode.com/library/sc/beaufort_county/codes/code_of_ordinances

The web site to access the Beaufort County's Vendor's List is:

Beaufort County's Pre-Qualified Vendors List

The web site access to the Summary – How to Enter a Requisition is:

<http://bcweb/BCForms>

The web site access to the instructions – How to Approve Requisitions is:

<http://bcweb/BCForms>

The web site to access the Small A&E Registry is:

<http://bcgov.net/departments/finance/purchasing>

The web site to access the General and Subcontractor Registry is:

General and Sub-Contractor Services Under \$50,000 (beaufortcountysc.gov)

PDF to view Organization & Object Codes is:

Organization & Object Codes

The web site for instructions on how to look up processed invoice information is:

<http://bcweb/BCForms>

PURCHASING AND FINANCE POLICIES

These regulations establish procedures and guidelines relating to the procurement, management, control, and disposal of supplies, services, and construction as applicable for Beaufort County, as well as Finance operations. It is the function of the Procurement Department to observe and enforce all procedures herein outlined in order that all purchases may be made fairly, quickly, competitively, and in such a way that Beaufort County may benefit from its efficiency.

The purpose of the Purchasing and Finance Policy and Procedures Manual is to:

1. Ensure the fair and equitable treatment of all persons who deal with the procurement and finance system of the County;
2. Foster public confidence in the procurement and finance procedures followed by the County;
3. Comply with applicable County, State and Federal laws that apply;
4. Secure the advantages and economies derived from a centralized and standardized expenditure control system;
5. Promote the use of modern, professional, and ethical business methods when using public funds to secure supplies, materials, equipment and services, or to dispose of surplus goods and equipment;
6. Consolidate existing procurement/finance policies and practices; and
7. Develop a comprehensive set of procedures applicable to the many different needs of the County.

DOCUMENTATION JUSTIFICATION

Documentation requested by Purchasing and/or Finance is needed in order to meet the requirements set and determined by outside agencies and to maintain the County's policy of public trust and transparency when spending taxpayer monies. Any deficiencies found in the required documentation will negatively reflect upon the County's ability to operate within set policies and procedures. This will also reflect negatively upon the department(s) responsible for causing the deficiency. It may also impede the County's ability to receive grants or any other financial assistance from outside and government agencies.

GENERAL PROCUREMENT DEFINITIONS

1. **Amendment:** written modification to a purchase order, which normally revises the quantities and may include an extension of time to complete the contract.
2. **Capital/Fixed Asset:** any item the County owns with a cost of \$5,000 or more and having a useful life of more than one year.
3. **Certificate of Insurance (COI):** Document issued by an insurance company, which certifies that an insurance policy has been bought, and shows an abstract of the most important provisions of the insurance contract (required for all construction and service contracts). (See page 5, General, #3 for more detail on COIs.)
4. **Contract:** (a) a deliberate verbal or written agreement between two or more competent parties to perform or not perform a specific act or acts; (b) any type of agreement, regardless of what it is called, for the procurement or disposal of goods, services or construction, usually an exchange of goods or services for money or other considerations.
5. **Emergency Purchase:** procurement that is made in response to a requirement when the delay for complying with all governing rules, regulations and procedures would be detrimental to the health, safety and welfare of the County and/or its citizens.
6. **Goods:** any tangible property other than services or real property.
7. **Gratuity:** means a payment, loan, subscription, advance, deposit of money, service, or anything more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
8. **Non-Competitive Purchasing Request (Sole Source):** A sole source purchase is one where there is only one vendor capable of providing an item or service, and therefore it is not possible to obtain competitive bids. A single source purchase is one where there are multiple sources of supply, but for specific reasons the item or service must be purchased from a specified vendor (i.e., warranty, compatibility of equipment, proprietary reasons, unique item is needed for trial use or testing).
9. **Procurement:** the buying, purchasing, renting, leasing, or otherwise acquiring of any supplies, services, or construction. It also includes all functions that pertain to the obtaining of any supply, service, or construction, including description or requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.
10. **Purchasing Card (P-Card):** an instrument used to purchase goods in accordance with established procedures. See the P-Card manual on the intranet for more information.
11. **Purchase Order:** A purchase order is a legally binding document/contract between a supplier and a buyer. It details the items the buyer agrees to purchase at a certain price point. It also outlines the delivery date and terms of payment for the buyer.
12. **Quotation:** any oral or written informal offer to the County by a vendor/contractor for furnishing specific goods and or services at a stated price.
13. **Requisition:** The purchase requisition is the procedural method by which departments may request the purchase of goods and/or services, which require processing by the Procurement Department, usually because of the dollar value, the nature of the purchase, or the type of goods and services. This process is done in MUNIS. A purchase requisition is not required for purchases under \$3,000 or for purchases made with a P-Card. Departments must email a copy of the signed invoice by the Department Head or the designated employee authorizing the payment to include the appropriate account code to Accounts Payable/Finance. This may be done electronically by email and electronic signature.

14. **Specification:** any description of the physical or functional characteristics or of the nature of a supply, service, or construction item. It may include a description of any requirement for inspecting, testing, or preparing a supply, service or construction item for delivery. Note there are many types of specifications: performance, design, brand name or equal, and scope of work.
15. **Vendor:** an actual or potential provider of goods and services.
16. **Vendor list and doing business with Beaufort County:** In order to do business with the County, vendors should register with Purchasing through our vendor registration system, powered by Vendor Registry. This does not apply to all vendors. For example internet orders like Amazon, Walmart, Lowes, etc. The vendor must be registered in MUNIS in order to be paid. The County may reject any quotes, bids, proposals and qualifications submitted by businesses that are not registered. Registration is free and allows businesses to identify the type of goods and services they provide so that they may receive email notifications regarding relevant solicitations out for bid. Vendors may go to www.beaufortcountysc.gov and select the bid opportunities page and click on “Register as a Vendor”. Vendors may request a copy of the County’s Vendors list by contacting Purchasing at 843-255-2350.

GENERAL

1. All purchases must be made through and by the Procurement Department, except as otherwise exempted by ordinance, resolution or other Council action. In accordance with the provisions contained within these procedures, the Procurement Director delegates authority to department and division directors, and those designated by them, the authority to purchase goods and services when the cost of the goods and services does not exceed \$14,999.
2. Any technology purchase (i.e., laptops, tablets, etc.), even if under \$3,000, should be approved through the IT Department to ensure Beaufort County network consistency, compatibility and maintenance. **Departments must use the requisition/purchase order process for technology purchases.**
3. Beaufort County requires contracted vendors conducting business on County property to provide and maintain throughout their performance under contract, a COI in the following minimum requirements:
 - Prior to commencing work/delivery hereunder, contractor/vendor, at his expense, shall furnish insurance certification showing the certificate holder as Beaufort County, P. O. Drawer 1228, Beaufort, SC 29901, Attention: Risk Management Director, and with a special notation naming Beaufort County as an additional insured on the liability coverages. Minimum coverage shall be as follows:
 - Worker’s Compensation Insurance – Contractor shall have and maintain, during the life of this contract, Worker’s Compensation Insurance for his or her employees connected to the work/delivery, in accordance with the Statutes of the State of South Carolina and any applicable laws. Employers Liability minimum limits required \$500,000

- Commercial General Liability Insurance - Contractor shall have and maintain, during the life of this contract, Commercial General Liability Insurance. Said Commercial General Liability Policy shall contain Contractual Liability and Products/Completed Operations Liability subject to the following minimum limits:

\$1,000,000 Each Occurrence/ \$2,000,000 General Aggregate and \$2,000,000 Products/Completed Operations Aggregate naming Beaufort County as an additional insured.

- Comprehensive Automobile Liability Insurance – The Contractor shall have and maintain, during the life of this contract, Comprehensive Automobile Liability, including non-owned and hired vehicles, of at least \$500,000 COMBINED SINGLE LIMIT.
- ADDITIONAL INSURANCE REQUIREMENTS: Umbrella Liability Insurance – Contractor shall have and maintain, during the life of this contract, Umbrella Liability Insurance with a minimum limit of \$2,000,000
- Professional Liability (Errors & Omissions) may be required by Risk Management. Department must check with Risk Management prior to requisition approval in MUNIS: Professional Liability Insurance protects against losses that occur when a “professional” error in judgement, planning, and design could result in economic loss to the entity or county. In order to determine if Professional Liability should be required ask yourself: Is the professional licensed or certified (i.e., architects, consultants, auditors, attorneys, engineers, etc.)? Required if a contractor is performing any type of design/build for a particular project.
The vendor shall maintain a limit no less than \$1,000,000 per occurrence:
- The required insurance policy at the time of issue must be written by a company licensed to do business in the State of South Carolina and be acceptable to the County.

For vendors requesting “additional insured” on certificates of insurance, please note that Article 10, Section 11 of the South Carolina Constitution prohibits pledging public credit on behalf of private interests. The Attorney General has advised that this Section prohibits the State Fiscal Accountability Authority (SFAA) from insuring any interest other than government entities. Therefore, we cannot add any additional insureds to Beaufort County’s Tort Liability Policy.

All Certificates of Insurance, whether contracted or not, should show “Beaufort County Council, PO Drawer 1228, Beaufort SC 29901” as the Certificate Holder. **The name of the department is not the Certificate Holder.** Coverage should be provided by an insurer that is rated “A” or better by A.M. Best.

In South Carolina, a business with four (4) or more employees is required to have Workers' Compensation coverage. However, even for businesses with less than four (4) employees, the business is still liable for work-related injuries.

All departments must provide a copy of a valid up to date COI when required when filling out a requisition for processing. Department staff must provide a copy of the vendor's COI to Risk Management for approval and provide a copy of the approved COI as an attachment to the requisition before the purchase order may be approved for use by Purchasing. **Department Heads must use the electronic approval form for COI approval by Risk Management and Purchasing.**

All construction contractors must be required to provide a Certificate of Insurance evidencing Automobile and General Liability, as well as Workers' Compensation coverage.

Beaufort County requires vendors that provide service "on" Beaufort County property, and sometimes "for" Beaufort County, whether contracted or not, to have Workers' Compensation coverage in accordance with the South Carolina Statutory Limit. If a vendor does not have Workers' Compensation coverage, the vendor is allowed to provide a "Statement of Independent Contractor." The Statement should be used sparingly but it is appropriate for a vendor who is not likely to have Workers' Compensation coverage (i.e. artist, yoga instructor). **The Statement should be signed and dated before the work activity begins and the vendor should be in compliance with all seven (7) requirements delineated in the Statement.**

4. Any individual item costing \$5,000 or more needs to have a Property Control Form (Attachment 3; <http://bcweb/BCForms> - Purchasing) completed. Copies of this form need to be submitted to Finance in order to add the item to inventory and to Risk Management to obtain insurance on the item.
5. Acceptance of gifts or gratuities, other than advertising novelties of nominal value, is strictly prohibited. No employee shall become obligated to any vendor and shall not conclude any County transaction from which they may personally benefit.
6. No employee of the County shall obligate the County whereby said employee may derive income or benefits, other than those provided as compensation from the County for their employment.
7. No contract, purchase or group of requisitions shall be subdivided to avoid bid and quotation requirements. The restriction also applies to the delegated authority given in number one (1) for the purchase of goods and services not exceeding \$14,999.
8. It is unlawful for a Council member or employee to order the purchase of any goods or services, or make any contract other than through the Procurement Director, without prior written authority or as specifically delegated herein. Any purchase order or contract made contrary to the provisions hereof shall not be approved and the County shall not be bound thereby.
9. An exception to the above policy may be made only in cases of an extreme emergency and with the understanding that the person authorizing the emergency order will contact the

Procurement Director and follow the procedures stated in Emergency Purchases section of the manual.

10. No employee acting in their official capacity as a purchasing agent shall either directly or indirectly purchase, rent or lease any realty, goods or services for the County from any business entity of which the employee, or employee's spouse or child, or any combination of them, has material interest.

REQUISITIONS

1. The purchase requisition serves to inform the Procurement Department of the need of the department and to correctly define the material or service requested. The requisition is not an order; it is only a departmental request to be processed by Purchasing when approved through the appropriate authority through the requisition workflow.
2. Purchase of \$3,000 and over shall be requested by entering a requisition and attaching all proper documentation in MUNIS. This requirement does not apply to legal fees paid by our Legal Department, requisitions are not required and are exempt.

PROCUREMENT THRESHOLDS

Purchases of up to \$2,999

- No quote or requisition is necessary. Departments must provide an invoice matching the requested payment amount to Finance. However, a Certificate of Insurance (COI) and/or a Statement of Independent Contractor (SOIC) must be obtained when required when purchasing services or construction on County property prior to the purchase and submitted to Risk Management for approval.
- Orders may be made, and invoice(s) submitted for payment.
- If the vendor will not invoice, orders may be paid for with County P-Card (see P-Card manual for details) and any other County authorized departmental credit card.
- Prices must be fair and reasonable, and the purchase must be approved by the Department Head. The quote or invoice must be attached to the request for payment form, which is stamped on the quote or invoice and signed by the Department Head. This may be electronically emailed for payment to Finance AP section.

Purchases from \$3,000 to \$4,999

- A quote or similar documentation must be attached to the requisition when entered in MUNIS. As required, a COI or SOIC should also be attached to the requisition in MUNIS. **The attached COI must be in line with the current fiscal year and approved by Risk Management.**
- Purchases shall be distributed equitably among qualified suppliers when making repeat orders.
- The award must be made to the lowest responsive and responsible vendor.
- The tax and shipping/freight must be included in this amount.
- The name, email, and phone number of the department staff entering the requisition must be placed on the front page of the requisition in MUNIS.

Purchases from \$5,000 to \$9,999:

- Written quotes from two (2) qualified vendors (telephone or internet may be used) are necessary and a requisition must be entered MUNIS.
- A copy of the written quotes and if required an updated COI or SOIC must be attached to the requisition in MUNIS. **The attached COI must be in line with the current fiscal year and approved by Risk Management.**
- The award must be made to the lowest responsive and responsible vendor.
- The tax and shipping/freight must be included in this amount.

Purchases from \$10,000 to \$34,999:

- Written quotes from a minimum of three (3) qualified vendors are necessary and a requisition must be entered MUNIS.
- A copy of the written quotes as well as a COI or SOIC must be attached to the requisition in MUNIS. **The attached COI must be in line with the current fiscal year and approved by Risk Management.**
- The award must be made to the lowest responsive and responsible vendor.
- The tax and shipping/freight must be included in this amount.

Purchases from \$35,000 to \$149,999:

- A Solicitation Request/Confirmation of Budget from the department head for an Invitation to Bid, Request for Proposal/Request for Qualifications must be submitted to the Procurement Director with the details of the goods/services being requested and the budget/account information available for the goods/services.
- The Procurement Director will send it through for appropriate Finance approvals and will move forward with advertisement.
- A competitive sealed solicitation process must occur.
- The award must be made to the lowest responsive and responsible source or to the highest ranked vendor for proposals.
- The County Administrator may approve this purchase without Committee/Council approval. The County Administrator may designate the DCA or appropriate Assistant County Administrator (ACA) to approve this level of purchase for the department.
- Once approved, a requisition must be entered into MUNIS.
- A copy of the written bid tab or summary of the proposals in rank order must be attached to the requisition in MUNIS along with the appropriate COI or SOIC. **The attached COI must be in line with the current fiscal year and approved by Risk Management.**
- The tax and shipping/freight must be included in this amount.
- *Solicitations over \$34,999 must be advertised in a local paper and South Carolina Business Opportunities (SCBO). Such notice may include publication in a newspaper of general circulation at a reasonable time prior to bid opening. The public notice shall state the place, date and time of bid opening. Exceptions are goods and services purchased from approved State, General Services Administration (GSA), and Cooperative Contracts.*

Purchases over \$150,000 to \$199,999:

- A Solicitation Request/Confirmation of Budget from the department head for an IFB, RFP/RFQ must be submitted to the Procurement Director with the details of the goods/services being requested and the budget/account information available for the goods/services.
- The Procurement Director will send it through for appropriate Finance approvals and will move forward with advertisement.
- A competitive sealed solicitation process must occur.
- The award must be made to the lowest responsive and responsible source or to the highest ranked vendor for proposals.
- The County Administrator or designated DCA or ACA along with the CFO must approve this purchase before it is taken to Committee for approval. Once approved by Committee, it will be forwarded to County Council for approval.
- Once approved, a requisition must be entered into MUNIS along with the appropriate COI or SOIC. **The attached COI must be in line with the current fiscal year and approved by Risk Management.**

- A copy of the Committee AIS, as well as the written bid tab or summary of the proposals in rank order, must be attached to the requisition in MUNIS.
- The tax and shipping/freight must be included in this amount.
- *Solicitations over \$34,999 must be advertised in a local paper and South Carolina Business Opportunities (SCBO). Such notice may include publication in a newspaper of general circulation at a reasonable time prior to bid opening. The public notice shall state the place, date and time of bid opening. Exceptions are goods and services purchased from approved State, General Services Administration (GSA), and Cooperative Contracts.*

Purchases over \$200,000:

- A Solicitation Request/Confirmation of Budget from the department head for an IFB, RFP/RFQ must be submitted to the Procurement Director with the details of the goods/services being requested and the budget/account information available for the goods/services.
- The Procurement Director will send it through for appropriate Finance approvals and will move forward with advertisement.
- A competitive sealed solicitation process must occur.
- The award must be made to the lowest responsive and responsible source or to the highest ranked vendor for proposals.
- The County Administrator or designated DCA or ACA along with the CFO must approve this purchase before it is taken to Committee for approval. Once approved by Committee, it will be forwarded to County Council for approval.
- Once approved, a requisition must be entered into MUNIS along with the appropriate and approved COI or SOIC by Risk Management. **The attached COI must be in line with the current fiscal year and approved by Risk Management.**
- A copy of the Committee AIS, as well as the written bid tab or summary of the proposals in rank order, must be attached to the requisition in MUNIS.
- The tax and shipping/freight must be included in this amount.
- Must be approved by full Council.
- *Solicitations over \$34,999 must be advertised in a local paper and South Carolina Business Opportunities (SCBO). Such notice may include publication in a newspaper of general circulation at a reasonable time prior to bid opening. The public notice shall state the place, date and time of bid opening. Exceptions are goods and services purchased from approved State, General Services Administration (GSA), and Cooperative Contracts.*

[Click here to view the Purchasing Process According Thresholds PDF](#)

EXEMPTIONS FROM COMPETITION

The following supplies and services shall be exempt from the purchasing procedures required in this manual; however, the Procurement Director, for just cause, may limit or withdraw any exemptions provided for in this section:

- Works of art for museum and public display.
- Published books, library books, maps, periodicals, technical pamphlets.
- Copyrighted educational films, filmstrips, slides and transparencies.
- Postage stamps and postal fees.
- Professional dues, membership fees and seminar registration fees.
- Medicine and drugs.
- Utilities including gas, electric, water and sewer.
- Advertisements in professional publications, TV, Billboards, internet, or newspapers.
- Fresh fruits, vegetables, meats, fish, milk, bread and eggs.
- Oil company credit cards.
- Articles for commercial sale by all governmental bodies.
- Legal Services which must be approved by the County Administrator or County Council.

LOCAL VENDOR PREFERENCE

A competitive procurement made by the County shall be made from responsive and responsible resident vendors in the County for procurement, if such competitive procurement does not exceed the lowest qualified solicitation from a non-local vendor by more than 5% or \$10,000, whichever is less, of the lowest non-local bidder. The local vendor has the discretion to match the solicitation submitted by the non-local vendor and receive the contract award.

A vendor shall be deemed to be a "local vendor" if such vendor is an individual, partnership, association or corporation that is authorized to transact business within the State, maintains an office in Beaufort County, has a business license of Beaufort County or one of the municipalities within Beaufort County, and maintains a representative inventory of commodities within Beaufort County or one of the municipalities in which the bid is submitted and has paid all taxes duly assessed.

If no bids/proposals are received from a Beaufort County local vendor, a vendor shall be deemed to be a "local vendor" if such vendor is an individual, partnership, association or corporation that is authorized to transact business within the State, maintains an office in Jasper, Hampton, or Colleton Counties (local preference only applies if Jasper, Hampton and Colleton Counties offer reciprocity to Beaufort County). A competitive procurement made by the County shall be made from responsive and responsible resident vendors in the respective counties for procurement, if such bid/proposal does not exceed the lowest qualified bid/proposal from a non-local vendor by more than 5% or \$10,000, whichever is less, of the lowest non-local vendor. The local vendor has the discretion to match the bid/proposal submitted by the non-local vendor and receive the contract award.

When purchasing from State or GSA contracts, the County Procurement Department is allowed to purchase like item/items from a Beaufort County local vendor as long as the local vendor is willing to meet or beat the State or GSA contract pricing. In cases where two or more local vendors are

involved, the Procurement Director will determine the best method to use for a tie breaker, either a coin toss or lottery drawing. When practical, a quotation will be solicited from other than the previous supplier prior to placing a repeat order.

PURCHASE ORDER AMENDMENTS/CHANGE ORDER PROCESS

1. Whenever a change of any kind on the purchase order is required, Department Heads or designated staff must complete the electronic change order request form that is located on the Beaufort County employee intranet. The change order will not be processed by Purchasing until they receive the approved CO form. Only the Procurement Department is authorized to make changes to the original purchase order. The change order must be approved by the Department Head or their designee, the Budget Director, and the Procurement Director.
2. Remittances will be made from invoices varying up to 10% from the purchase order. In instances where the variance exceeds 10%, the Finance Department will require further clarification from the originating department and obtain authorization from the County Administrator or County Council in accordance with the dollar threshold.

BLANKET PURCHASE ORDERS

1. A blanket order is a purchase order which is issued to an approved pre-selected vendor and is to be used only with competitive bidding, State contracts, or when approved cooperative contract pricing is available. A Blanket Purchase Order is a contract between a contractor/vendor and the County/department who agrees to provide goods and services to the purchaser on a demand basis; the contract generally establishes prices, terms, conditions, and the period covered, although no quantities are specified; shipments are to be made when and as required by the Procurement Department which in certain cases may be the end user. Blanket orders shall be for a stipulated period of time up to twelve months, with an established dollar limit per purchase, as approved by the using department and the Procurement Director. All blanket orders will be closely monitored for departmental abuse. Your authorization for Finance to proceed with payments against these orders shall be the same procedure as listed for term contract orders below. Purchase orders cannot overlap fiscal years; a new purchase order must be issued.
2. Capital/Fixed Assets (capital items costing \$5,000 or more and having a useful life of one (1) or more years) should never be purchased on a term contract order or a blanket order.

EMERGENCY PURCHASES

1. It is recognized that certain emergencies cannot be anticipated. These include equipment and vehicle breakdowns and damage caused by storms. Emergency purchases may be made in these instances, but only if departmental operation would be seriously impaired if immediate action were not taken. An emergency condition is a situation which creates a threat to public health, welfare, or safety such as may arise by reason of floods, epidemics,

riots, equipment failures, fire loss, or such other reasons as may be proclaimed by either the Procurement Director or a department head. Enter justification in remarks section. The existence for such conditions must create an immediate and serious need for supplies, services, or construction that cannot be met through normal procurement methods.

2. Departments may make emergency purchases with the proper justification and approval by the Procurement Director. A requisition must be entered into MUNIS by the Department purchasing the Goods or Services as soon as possible along with notifying the Procurement Director within 24 hours of the emergency purchase with written justification by email. The Department Head must provide this information by a phone call with a follow-up in writing to the Procurement Director summarizing the who, what, when, where, and why the purchase was considered an emergency purchase. See paragraph 4 below.
3. To initiate an emergency purchase, the requesting department must enter a requisition and email/call the Procurement Director. The requesting department will solicit at least two (2) quotes, when possible, and then call the vendor with an emergency purchase order number. Under no circumstances are prior arrangements to be made with a vendor for materials and/or services, except for information, before a purchase order number is obtained. The Procurement Department will then email or fax the “confirming” purchase order to the vendor.
4. If an emergency should arise during a time when the Procurement Department is normally closed, the using department will follow the same procedure as above, except that a purchase order number will not be used at the time of transaction. The sales ticket or invoice will be attached to the confirming requisition and forwarded to the Procurement Department the following workday, along with a brief justification in the remarks section and the fact that a purchase order number had not been obtained. The Department Head making the Emergency Purchase must inform the Procurement Director within 24 hours from the time the goods or services are purchased from the vendor.

DEFINITIONS FOR SOLICITATION PROCESS (IFB, RFP, RFQ)

1. **Addendum:** a written change to a Bid, Quote, RFQ or RFP during the solicitation process.
2. **Agreement:** the bargain of the parties in fact as found in their language or by implication from other circumstances including a course of dealing, usage of trade or course of performance. Whether or not an agreement has legal consequences is determined by the provisions of state law, if applicable, otherwise by the law of contracts.
3. **Architect-engineer and land surveying services:** means those professional services within the scope of the practice of architecture, professional engineering, or land surveying, as defined by State laws.
4. **Bid:** a formal written offer of a price by a vendor to the County to furnish specific goods and/or services in response to an Invitation to Bid or a multi-step bidding procedure.
5. **Bid Award:** an award of a bid for which funds have lawfully been appropriated by the County Council.
6. **Change order:** means a written order signed and issued by the Procurement Director, directing the contractor to make changes, which the changes clause of the contract authorizes the Procurement Director to order without the consent of the contractor.

7. **Confidential information:** means any information which is available to an employee only because of the employee's status as an employee of the County and which is not a matter of public knowledge or available to the public on request.
8. **Consultant Services:** any narrow discipline wherein a known practitioner has, through education and experience, developed expert advisory and programmed skills as a vocation; any service performed primarily by vocational personnel which requires the analysis or certification of a professional before the services are acceptable to the user of the service or any other advisory, study or programming activity. The Director of Purchasing may determine, in writing, that the level of skills and/or creativity of the potential or known practitioner(s) warrant procurement in lieu of a competitive bid or quotation process.
9. **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 operation, routine repair, or routine maintenance of existing structures, buildings or real property.
10. **Contract:** (a) a deliberate verbal or written agreement between two or more competent parties to perform or not perform a specific act or acts; (b) any type of agreement, regardless of what it is called, for the procurement or disposal of goods, services or construction, usually for exchange of goods or services for money or other considerations.
11. **Contract modification (bilateral change)** means 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 of the contract.
12. **Contractor:** means any person having a contract with the County or using agency thereof.
13. **Cost analysis:** means the evaluation of cost data for the purpose of arriving at cost actually incurred or estimates of costs to be incurred, prices to be paid, and costs to be reimbursed.
14. **Cost data:** means factual information concerning the cost of labor, material overhead, and other cost elements which are expected to be incurred or which have been actually incurred by the contractor in performing the contract.
15. **Cost-reimbursement contract:** means a contract under which a contractor is reimbursed for costs, which are allowable and allocable in accordance with the contract terms and this division, and a fee or profit, if any.
16. **Debarment:** the exclusion for cause of a vendor or contractor from bidding and/or receiving a contract to do business with the County.
17. **Demolition:** the removal or destruction of any structure or building and appurtenances thereto, road or drainage utility.
18. **Design Build Services:** the requirement for which a single contract with a design-build firm is entered into for the design and construction of a Capital Improvement Construction Project.
19. **Disadvantaged Business:** means 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.
20. **Invitation for Bid (IFB):** the solicitation document that is used for competitive sealed bidding for procurement of construction, goods and/or services for the County.

21. **Professional Services:** any architectural, engineering, landscape architectural, registered land surveying services as defined and prescribed under the County ordinance and SC state law, or any other service qualified by education, experience or technical ability.
22. **Proposal:** an executed formal document submitted by an offeror to the County stating the good (s) and/or services (s) offered to satisfy the need as requested in the Request for Proposal or the Request for Qualifications.
23. **Request for Proposal (RFP):** a solicitation of responses for goods and or services for which the scope of work, specifications or contracted terms and conditions cannot reasonably be closely defined. Evaluation of proposal is based on stated criteria and shall state the relative importance of all evaluation factors; other factors may be considered as stated in the RFP.
24. **Request for Qualification (RFQ):** a solicitation for professional services such as architect-engineer and land surveying services. The scope of work and specifications are not closely defined, and an evaluation criterion is based on the firms proposed scope of work, experience and qualifications.
25. **Request for Information (RFI):** a non-binding method whereby the County publishes via newspaper, internet, or direct mail, its need for input from interested parties for an upcoming solicitation.
26. **Responsible Bidder, Offeror, Quoter or Respondent:** an individual or business which has submitted a bid, offer, proposal, quotation or response, which has the capability, as determined by the County, in all respects, to perform fully the contract requirements with the integrity and reliability which give reasonable assurance of good faith and performance.
27. **Responsive Bidder, Offeror, Quoter or Respondent:** an individual or business which has submitted a bid, offer, proposal, quotation or response, which conforms to all material aspects of the solicitation, as determined by the County.
28. **Small Business:** a United States business which is independently owned and which is not dominant in its field or operation or an affiliate or subsidiary of a business dominant in this field of operation.
29. **Women/Minority Business Enterprise (W/MBE) Program:** A program designed to give women and minorities the maximum feasible opportunity to participate in the County's procurement process. This applies to any business in which 51% of the business is owned by a woman or minority.
30. **Disadvantaged Business Enterprises (DBE)** means any business entity, which is at least 51%, owned by one or more citizens of the United States who are determined to be socially and economically disadvantaged. Socially disadvantaged individuals are those individuals who have been subject to racial or ethnic prejudice or cultural bias because of their identification as members of a certain group, without regard to their individual qualities. Economically disadvantaged individuals are those individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area that are not socially disadvantaged.
31. **Small and Minority Business Participation Program Compliance:** the South Carolina General Assembly, in South Carolina Code of Laws Section 11-35-5210, has declared that businesses owned and operated by minority persons have been historically restricted from full participation in our free enterprise system to a degree disproportionate to other

businesses; and that it is in the state's best interest to assist minority-owned businesses to develop fully as a part of the state's policies and programs which are designed to promote balanced economic and community growth throughout the state. Therefore, Beaufort County wishes to ensure that those businesses owned and operated by minorities are afforded the opportunity to fully participate in its overall procurement process for goods and services. Further, Beaufort County seeks to ensure that small businesses are likewise afforded the same opportunity as minority businesses to participate. Based on scope of work or services, solicitations may require bidders or proposers to meet certain compliance requirements of Beaufort County's "Small and Minority Business Participation Program", unless self-performing one hundred percent (100%), including specific pre-award good faith outreach efforts and post-award subcontracting reporting.

SOLICITATION PROCEDURES (PURCHASES FROM \$35,000 TO \$149,999)

1. A Budget Confirmation from the department head for an IFB, RFP or RFQ must be submitted to the Procurement Director with the details of the goods/services being requested and the budget/account information available for the goods/services.
2. The Procurement Director will send it through for appropriate Finance approvals and will move forward with advertisement. Department Heads must complete and provide an electronic budget approval form to Purchasing before any solicitation will be advertised to the public.
3. A competitive sealed solicitation process must occur.
4. The award must be made to the lowest responsive and responsible source or to the highest ranked vendor for proposals.
5. The County Administrator may approve this purchase, via memo with appropriate attachments, without Committee/Council approval. Once approved, a contract will be issued, and a requisition must be entered into MUNIS along with the appropriate COI or SOIC.
6. A copy of the written bid tab or summary of the proposals in rank order must be attached to the requisition
7. The tax and shipping/freight must be included in this amount.
8. *Solicitations over \$34,999 must be advertised in a local paper and South Carolina Business Opportunities (SCBO) and may be found on the Purchasing Web page located at www.beaufortcountysc.gov. Such notice may include publication in a newspaper of general circulation at a reasonable time prior to bid opening. The public notice shall state the place, date and time of bid opening. Exceptions are goods and services purchased from approved State, General Services Administration (GSA), and Cooperative Contracts.*

SOLICITATION PROCEDURES (PURCHASES FROM \$150,000 TO \$199,999)

1. A Budget Confirmation from the department head for an IFB, RFP, or RFQ must be submitted to the Procurement Director with the details of the goods/services being requested and the budget/account information available for the goods/services.
2. The Procurement Director will send it through for appropriate Finance approvals and will move forward with advertisement.

3. A competitive sealed solicitation process must occur.
4. The award must be made to the lowest responsive and responsible source or to the highest ranked vendor for proposals.
5. The County Administrator must approve this purchase, via memo with appropriate attachments, before it is taken to Committee for approval. Once approved, a contract will be issued and a requisition must be entered into MUNIS along with the appropriate COI or SOIC.
6. A copy of the Committee AIS, as well as a copy of the written bid tab or summary of the proposals in rank order, must be attached to the requisition.
7. The tax and shipping/freight must be included in this amount.
8. *Solicitations over \$34,999 must be advertised in a local paper and South Carolina Business Opportunities (SCBO). Such notice may include publication in a newspaper of general circulation at a reasonable time prior to bid opening. The public notice shall state the place, date and time of bid opening. Exceptions are goods and services purchased from approved State, General Services Administration (GSA), and Cooperative Contracts.*

SOLICITATION PROCEDURES (PURCHASES OVER \$200,000)

1. A Budget Confirmation from the department head for an IFB, RFP, or RFQ must be submitted to the Procurement Director with the details of the goods/services being requested and the budget/account information available for the goods/services.
2. The Procurement Director will send it through for appropriate Finance approvals and will move forward with advertisement.
3. A competitive sealed solicitation process must occur.
4. The award must be made to the lowest responsive and responsible source or to the highest ranked vendor for proposals.
5. The County Administrator must approve this purchase, via memo with appropriate attachments, before it is taken to Committee for approval. Once approved by Committee, it will be forwarded to County Council for approval.
6. Once approved, a contract will be issued, and a requisition must be entered into MUNIS.
7. A copy of the Committee//Council AIS, as well as a copy of the written bid tab or summary of the proposals in rank order, must be attached to the requisition in MUNIS along with the appropriate COI or SOIC.
8. The tax and shipping/freight must be included in this amount.
9. *Solicitations over \$34,999 must be advertised in a local paper and South Carolina Business Opportunities (SCBO). Such notice may include publication in a newspaper of general circulation at a reasonable time prior to bid opening. The public notice shall state the place, date and time of bid opening. Exceptions are goods and services purchased from approved State, General Services Administration (GSA), and Cooperative Contracts.*

ARCHITECTURAL AND ENGINEERING REGISTRY FOR PROJECTS LESS THAN \$50,000

1. The County will continue to receive qualification submittals throughout each fiscal year from firms capable of providing professional architectural and engineering services.
2. These services shall normally be procured in accordance with Section 2-542 of the Ordinance using RFQ or RFP.
3. In those instances where the professional fees for architect-engineer or other engineering consulting services are estimated not to exceed forty-nine thousand, nine hundred and ninety-nine dollars (\$49,999), the services of these professionals may be obtained using the following procedures:
 - a. The County Engineer is responsible for maintaining the Architect and Engineering Pre-qualified list. This master list will be coordinated with the Procurement Director and updated from time to time as firms are added and deleted from the pre-qualified list. This pre-qualified list will be placed on the County's website on the Procurement Departments page. Individuals or firms not on the established registry may be added at any time by submitting the required pre-qualification information to the appropriate department as mentioned above. For additional information, please contact the Capital Projects Coordinator at 843-255-2692.
 - b. From this registry, an individual or firm will be chosen for a particular project based upon, but not limited to:
 - (1) The nature of the project,
 - (2) Their respective qualifications and demonstrated competence,
 - (3) Their capability to produce the required service within a reasonable time,
 - (4) Past performance,
 - (5) Ability to meet project budget requirements, and
 - (6) The proximity of the professional service provider to the project.
 - c. Negotiations will be conducted with the selected individual or firm to arrive at a fair and reasonable contract price.
4. Formal sealed bid procedures do not apply in the procurement of professional services from Pre-Qualified firms on this list.
5. Approval of all professional service contracts shall be as specified in Section 2-517 or Section 2-512 of the Ordinance, based on total dollar amount.
5. Splitting of larger projects into smaller projects for the purpose of circumventing the provisions of subparagraph 1 above is prohibited.

PRE-QUALIFIED VENDOR LIST FOR GOODS AND SERVICES UNDER \$50,000

1. The County will continue to receive qualification submittals throughout each fiscal year from vendors capable of providing goods and services.
2. These services shall normally be procured in accordance with Section 2-542 of the Ordinance using IFB, RFQ or RFP.
3. In those instances where the cost for goods and/or services are estimated not to exceed forty-nine thousand, nine hundred and ninety-nine dollars (\$49,999), the goods and services may be obtained using the following procedures:
 - a. The Procurement Department is responsible for maintaining the Pre-qualified Vendor List for Goods and Services Under \$50,000. This master list will be coordinated with the Procurement Director and updated from time to time as vendors are added and deleted from the pre-qualified list. This pre-qualified list will be placed on the County's website on the Procurement Department's page. Vendors not on the established registry may be added at any time by submitting the required pre-qualification information as addressed in the form. For additional information, please contact the Procurement Department at 843-255-2350.
 - b. From this registry, a vendor will be chosen for a particular project based upon, but not limited to:
 - (1) The nature of the project,
 - (2) Their respective qualifications and demonstrated competence,
 - (3) Their capability to produce the required service within a reasonable time,
 - (4) Past performance,
 - (5) Ability to meet project budget requirements, and
 - (6) The proximity of the professional service provider to the project.
 - c. Negotiations will be conducted with the selected individual or firm to arrive at a fair and reasonable contract price.
4. Formal sealed bid procedures do not apply in the procurement of professional services from Pre-Qualified vendors on this list.
5. Approval of all goods and service contracts shall be as specified in Section 2-517 or Section 2-512 of the Ordinance, based on total dollar amount.
5. Splitting of larger projects into smaller projects for the purpose of circumventing the provisions of subparagraph 1 above is prohibited.

ACCOUNTS PAYABLE (AP) PROCESS

DEFINITIONS

1. **Accounts Payable:** Monies owed to vendors for goods or services that have been provided to the County.
2. **Accounts Payable (AP) Stamp:** Stamp that authorizes the payment of goods or services and includes the preparer, date, purchase order number, description, general ledger coding, amount due, and authorized signature (Attachment 5).
3. **Accounts Receivable:** Money which is owed to a company by customers who have bought goods and services on credit.
4. **Accrued Expense:** Costs that have been incurred during an accounting period but have not yet been paid.
5. **Budget:** An itemized listing usually prepared annually, of anticipated revenue and projected expenses.
6. **Capital/Fixed Asset:** Anything an individual or corporation owns with a cost of \$5,000 or more having a useful life of one or more years.
7. **Certificate of Insurance (COI):** Document issued by an insurance company, it certifies that an insurance policy has been bought and shows an abstract of the most important provisions of the insurance contract (see page 5, General, #3 for more detail).
8. **Check Run:** A group of checks that are printed at the same time once they have been processed by AP personnel. If invoices are submitted by Friday, then they shall be processed and included in the following weeks runs.
9. **Encumbrance:** Amount the County is obligated to pay a vendor through the issuance of a purchase order.
10. **Expense:** The cost of goods or services.
11. **Fiscal Year:** An accounting period of 365 days or 12 consecutive months that a company uses to determine profits or losses. The County's fiscal year is from July 1 through June 30 of the following year.
12. **General Ledger:** The "books" of the County. A compilation of all the accounts within the County, accounted for in separate funds. These accounts are then used to create the balance sheet and income statement for each County fund.
13. **Invoice:** An instrument prepared by a seller of goods or services listing all such items sold and presented to the buyer for payment. Invoices should be submitted to the AP Technician within 10 days of receipt for payment processing, approved, coded and signed.
14. **Liquidated Purchase Order:** Occurs when the purchase order has been paid completely by the invoice process and the purchase order is closed out to a zero balance.
15. **Separate Special Check Run:** Check that is processed separate from the normal Friday check run due to an immediate need to pay a vendor.
16. **MUNIS:** The County's general ledger software program.
17. **Net 30 Terms:** Net 30 is a form of trade credit, which specifies that the billed amount (the total outstanding on the invoice) is expected to be paid and received within 30 days after the invoice date.
18. **Purchase Order (PO):** Document that authorizes the purchase of goods or services for more than \$3,000 by a department. There are different procedures depending on the

threshold amount. Please see the section, Procurement Thresholds, in this document (page 7).

19. **Revenues:** The total amount of money a company receives for sales of goods and services during a particular accounting period.
20. **SharePoint:** Online database storage for numerous electronic files utilized by Finance, Purchasing and Risk Management.
21. **Statement of Independent Contractor (SOIC):** Beaufort County requires vendors that provide service “on” Beaufort County property, and sometimes “for” Beaufort County, whether contracted or not, to have Workers’ Compensation coverage in accordance with the South Carolina Statutory Limit. If a vendor does not have Workers’ Compensation coverage, the vendor is allowed to provide a “Statement of Independent Contractor.” The Statement should be used sparingly but it is appropriate for a vendor who is not likely to have Workers’ Compensation coverage (i.e. artist, yoga instructor). The Statement should be signed and dated before the work activity begins and the vendor should be in compliance with all seven requirements delineated in the Statement.
22. **Tyler Content Manager (TCM):** The module of MUNIS that is utilized to store backup documentation images for vendor, invoice, check, purchase order, and insurance processing.
23. **Vendor:** A company or individual that has provided goods or services to the County.
24. **W-9 Form:** IRS Form that details a vendor’s name, address, type of business, and taxpayer identification number for income tax purposes. A W-9 must be obtained from a vendor before payment of an invoice can be made.

REQUESTING NEW VENDORS

1. The Finance Department requires a signed W-9 Form, a valid Certificate of Insurance/Statement of Independent Contractor from a vendor approved by Risk Management, an EFT form, and a New Vendor Request Form to be submitted to the Accounts Payable Technician, from the requesting department, before they are added into MUNIS. This must occur before services are performed.
2. The Accounts Payable Technician enters the following information into MUNIS to set up a new vendor: Vendor Name, Vendor Address, Tax Identification Number, Remittance Address, SC Tax ID Number, EFT information, and Contact Information.
3. The Accounts Payable Technician may be contacted at (843-255-2293) and is responsible for setting up all new vendors in MUNIS. Any changes to vendor information will be handled by the Account Payable Technician as well.
4. The vendor is assigned the next available vendor number by MUNIS.
5. The Account Payable Technician will email the vendor number to the new vendor requester.
6. As a reminder in order to do business with Beaufort County all vendors must sign up through vendor registry as instructed on page 5 of this manual. Exceptions may be made for online vendors by the Procurement Director on a case-by-case bases. All vendors must be setup in MUNIS unless the purchase is made by a P-Card.

7. Requesting an up to date and valid COI for the vendor being used is the responsibility of the using Department. If the department staff need assistance, call Risk Management for review and once approved attached the updated COI to the requisition.

INVOICE PROCESSING

1. An order may be made from a vendor if the purchase amount is under \$3,000. The vendor will need to send an invoice to the using Department for payment processing or you may use the County P-card for the purchase if you have confirmed the vendor does not invoice.
2. If there is a purchase needed that is \$3,000 or more, a requisition must be entered into MUNIS in order for a purchase order to be created **prior to the purchase being made.** The only two exceptions for departments not processing a requisition are for purchases made with a P-Card, Legal Services utilities and other selected exempt categories. The department requesting payment for a P-Card purchase must turn in the required monthly P-Card report to Finance. For legal service payments, the department must provide Finance a copy of the approved engagement letter and approved invoice from our County Attorney or his designee. Threshold amounts will dictate what documentation and approval is needed. Please see the threshold amounts in the Procurement Thresholds section of this document (page 7).
3. When an order is received the items need to be inspected for good condition, compared to the vendor's packing list and the packing list needs to be compared to the invoice. If an item has not been received but has been included on the invoice, you will need to call the vendor to correct the invoice. DO NOT process an invoice for items not received. This is especially important at the end of the fiscal year (June 30). If an item has been received and it is not included on the invoice, you will need to contact the vendor for a corrected invoice. Any discrepancy regarding invoicing needs to be resolved at the department level prior to submission to the Finance Department for payment.
4. Not all vendors can charge tax. If you are ordering from an out-of-state vendor and they charge tax you must provide the AP Technician their S.C. Tax ID number. If a vendor does not include tax, then you must write "use tax" in the description section of the AP stamp when processing the invoice for payment. That way the AP Technician knows to include that purchase on their monthly payment to the S.C. Department of Revenue. Be sure to include used tax in your budget money.
5. Invoices need to be processed for payment once a week. The invoice needs to be stamped with the AP stamp, or a stamp copy may be cut out and taped to the invoice in a blank area and filled out. If there is no blank area available, stamp a blank piece of paper, fill out the stamp and scan the paper with the invoice. Be sure to fill it out completely to include the purchase order number, date of invoice processing, organization and object code, name of preparer, and have it signed and dated by department head or his/her designee. If an invoice is being processed against a purchase order and it's a partial order circle the "N" on the LIQ section indicating that the purchase order should not yet be closed. If it is the last payment against that purchase order, then circle "Y".
6. When reviewing invoices for payment departments should verify: 1) money is available in your budget to cover the invoice amount and use tax if applicable, 2) if a purchase order was issued, ensure the dollar amount of the purchase order covers the amount of the invoice

- (s). These reviews should be done by department on each invoice received prior to submitting the invoice to AP for processing.
- 7. Invoices received by the Finance Department by close of business the previous Friday will be processed and included in the following week's runs unless there is a problem with the invoice. The appropriate AP Technician will contact you if there is a problem. Checks are then mailed out on Friday afternoon.
- 8. If you have an invoice that needs special attention, please make a note on the invoice. If a department has an invoice that was received by the Finance Department after the prior Friday deadline and needs to be included on this week's run, please call 52293 or the appropriate AP Technician (A-F ext. 52292; G-Q ext. 52951; R-Z ext. 52308). They will do their best to accommodate your request.
- 9. The AP Technician will enter the invoice into MUNIS and will scan the invoice and any backup documentation into MUNIS TCM. You may look up this information in MUNIS after the check run is complete.

CONTRACT PROCESS AND AUTHORITY TO INCLUDE GRANTS

For contract authority dollar threshold, please see the quick reference guide located on the County Intranet under the County Forms Procurement Section. We will be providing an update for this section later, but in the meantime, contact our Procurement Department, Contract Specialist for any contract process questions and for Budget and Grants issues, please contact our Budget Director

Budget Process

For any questions regarding budget call the Budget Director at 843-255-2313. To the right is an example of the budget process.

Budget Process Steps

