

City of Clinton



Purchasing Policy & Procedure Manual

Adopted January 2010

Guidelines Specifically for Purchasing Supplies and Materials for the City of Clinton

The following applies only to the City of Clinton:

1. Purchases approved by the Department Head for seven hundred and fifty dollars (\$750.00) or less will not require a Purchase Order.
2. Any purchase expected to be two thousand and five hundred dollars (\$2,500.00) or more, will not only require a Purchase Order but will require the City Manager or Assistant City Manager's approval by signature on the Purchase Order.
3. During natural disasters, the limit of seven hundred and fifty dollars (\$750.00) will be waived on all purchases. Every effort should be made to contact the Purchasing Manager prior to making sizable purchases.

Please keep in mind the above-mentioned guidelines apply to the City of Clinton and should not be abused.

**City of Clinton, North Carolina
Purchasing Policy and Procedure Manual**

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Article I

General Guidelines for Purchasing Supplies and Materials

1. Introduction

This purchasing policy and procedures manual is intended for use as a guide to City purchasing methods and practices. When used properly and with common sense, the policies and procedures established herein will enable the City to obtain needed materials, equipment, supplies, and services efficiently and economically.

The understanding and cooperation of all employees is essential if the City is to obtain the maximum value for each tax and utility dollar spent. While this manual does not answer all questions related to purchasing, it does provide the foundation for a sound centralized purchasing system.

The basic goals of the City's Purchasing Program are:

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

If the procedures and guidelines established in this manual are followed, each department can efficiently manage, control, and plan its available resources to meet present and future departmental needs and help the City to meet these goals. Should you have any questions about this manual or its procedures, contact the Purchasing Manager at extension 3009.

2. Local Buying

It is the desire of the City to purchase from vendors located within Clinton and Sampson County whenever possible. This can be accomplished by ensuring that local vendors who have goods or services available, which are needed by the City, are included in the competitive purchasing process. The City has a responsibility to its residents to ensure the maximum value for each dollar spent. **The City cannot and will not make purchasing decisions solely based on vendor residence.** Rather, the City will endeavor to encourage local vendors and suppliers to compete for all City business

3. Planning

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

4. Buying Proper Quality

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

5. Future Commitments to Vendors

Employees do not have the authorization to commit in writing, or verbally, future City business to vendors.

6. Conflict of Interest

Pursuant to N.C. G.S. 14-234 no elected official or employee who is involved in making or administering a contract on behalf of the city may derive a direct benefit from the contract except as provided in N.C. G.S.14-234(b), or as otherwise allowed by law. An elected official or employee who will derive a direct benefit from a contract with the city, but who is not involved in making or administering the contract, shall not attempt to influence any other person who is involved in making or administering the contract. To preclude any appearance of impropriety, each individual shall disclose any personal interest he/she may have in regards to contracts. No elected official or employee may solicit or receive any gift, reward, or promise of reward in exchange for recommending, influencing, or attempting to influence the award of a contract by the city.

Article II

Vendor Selection

1. Selection Policy

Vendors will be selected on a competitive basis. Formal bids, informal bids, or telephone quotations will be solicited by the Purchasing Manager or Department Head. Bid awards, Purchase Orders, and/or contracts will be issued to the lowest responsible bidder. If a department wishes to add a specific vendor or contractor to the bid list, they must notify the Purchasing Manager. All vendors will be required to submit a Form W-9 and obtain a city privilege license if applicable.

2. Selection Procedures

For the procurement of supplies, materials, and/or equipment and for construction or repairs, the Purchasing Manager will observe the following procedures. Selection procedures listed in this section are subject to the City's Minority Business Participation Outreach Plan (Attachment A).

- a. In accordance with N.C. G.S. 143-129, invitation for formal bids will be used for purchases of \$90,000 and greater (\$500,000 and greater for construction and repairs). This will include advertising in the local newspaper and/or other advertising media as deemed appropriate and receiving sealed bids.
- b. In accordance with N.C. G.S. 143-131, a Request for Written Quotation (RFQ) will be used for purchases of \$30,000 to formal limits (3.2a) with or without advertising.
- c. In accordance with N.C. G.S. 143-131, purchases of less than \$30,000 will be made in the open market with or without necessary resort to formal invitation for bids or request for quotations. However, every effort should be given to obtain three written quotes for purchases of less than \$30,000. All quotes, regardless of the degree of formality, should be submitted through the electronic purchase requisition form before the Purchase Order is issued.

3. Sole Source of Supply

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

4. Vendor Relations

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

The Purchasing Manager maintains a vendor file for recording the performance of vendors the City engages in business. Should a department have trouble with or have a complaint with a particular vendor, the concerns should be documented. A memo to the Purchasing Manager with the concerns will also suffice. The documentation should be detailing the circumstances, dates, personnel involved (including titles) and phone numbers. This information will be helpful in determining if the vendor shall remain on the vendor list.

If a department feels a vendor should be commended for its efforts, the department should document the circumstances and forward the information to the Purchasing Manager for the vendor's file.

5. Acceptance of Gifts and Favors

Pursuant N.C. G.S. 133-32, no official or employee of the City shall accept any gift, favor, or thing of value from vendors that may tend to influence such employee in the discharge of the employee's duties, or grant in the discharge of duty an improper favor, service, or thing of value to the vendor.

Article III

Purchasing Procedures

1. Request to Purchase

This section outlines the City's purchasing procedures. The procedures outlined are designed to take full advantage of a centralized purchasing system. These procedures cover the purchasing of apparatus, supplies, materials, and/or equipment for items costing over \$750.00. Purchases for less than \$750.00 should be receipted with required information and appropriate signatures by each department with the Department Head's approval. Under no circumstance should departments split orders to remain below the \$750 threshold.

2. Electronic Purchase Requisition

The City uses the electronic purchase requisition form to order supplies or materials through the Purchasing Manager. Requisitions are entered electronically by the end user and should be reviewed and approved by the Department Head. Requisitions should include a thorough description of all items and any special instructions such as delivery date or alternate delivery

location. Requisitions do not become purchase orders until they are reviewed and approved by the Purchasing Manager or Finance Director. If Purchasing has questions concerning the request, it may contact the Department Head for a brief explanation. Department Heads may choose to retain a copy of the requisition; however, all official copies will be filed in Purchasing.

3. Purchases Not Requiring a Purchase Requisition

The following list represents items and services that do not require a purchase requisition.

- Advertising (legal ads, radio announcements, etc.)
- Annual dues, memberships, and subscriptions
- Claim payments and insurance premiums
- Installment purchase agreements
- Petty cash - replenishment of funds
- Postage permits and expenses
- Tipping fees
- Travel and meeting expenses
- Tuition fees for educational purposes
- Utilities (on-going- gas, electric, phone, etc.)

This list is not all-inclusive. Contact the Purchasing Manager with any questions.

Article IV

Purchase Orders

1. Electronic Purchase Order Process

To be valid, a City Purchase Order must be completed and signed by the Purchasing Manager and pre-audited by the Finance Director. Purchase Orders will not be issued without a properly executed Purchase Requisition. Purchase Orders above \$2,500 must be approved by the City Manager.

A Purchase Order (PO) is a contract between the City and a vendor, and it is not binding until accepted by the vendor. The issuance of Purchase Orders by unauthorized City employees or officials will not be recognized by the City and payment of these obligations will not be approved. Obtaining supplies, materials, equipment, or service without a Purchase Order also is an unauthorized purchase. **Unauthorized purchases are classified as a personal expense and will be paid for by the responsible employee.**

In order to process the vendor's invoice(s) for payment properly, the packing slip or invoice must indicate the PO number and appropriate general ledger account number, be signed, and

forwarded to Accounts Payable. This should be done immediately after the item(s) have been received, inspected, and accepted by the user department.

2. Change Orders

In order to change, modify, or cancel an existing PO, the user department must indicate changes on the packing slip or invoice with the Department Head's approval. All pertinent information needed to make changes should be completed. The Change Order is to be forwarded to Purchasing for review and approval. Purchasing will be responsible for the distribution of paperwork to the requesting department.

Change Orders will not be allowed:

1. That would alter the procurement procedures that were used in the original process (e.g. from informal to formal bid).
2. After the scope of services has been rendered or materials have been received.
3. That would increase a Blanket Purchase Order.

The City Council must approve Change Orders for purchases and/or contracts for capital projects/outlay that exceed originally allocated funds.

Article V

Availability and Transfer of Budgetary Funds

1. Policy

The City requires a Request for Transfer of Funds (Attachment B) for any purchase or commitment for which there are insufficient funds available in the budgetary account against which a purchase or commitment is to be applied before a purchase order requisition will be approved. The Finance Director and City Manager must approve this request. Transfers of Funds are not allowed for making it possible to spend all appropriations. Transfer of Funds requires a budget amendment, which requires City Council approval.

2. Authority and Responsibility

Department Heads may inquire to make certain changes among operating expenditure line items (i.e. non-capital and/or non-personnel related items) in the budget of their departments (department as defined in the annual budget authorization of City Council) when they feel the changes would be in the best interest of the City. A Transfer of Funds request must be requested by the Department Head via email or memo to the Finance Director before any

commitments are approved against an expenditure line item that would exceed the amount budgeted for that particular line item.

The Finance Director is expected and authorized to inquire about the appropriateness of all Request for Transfer of Funds.

Article VI

Special Procurement Procedures

1. Blanket Purchase Orders

The Purchasing Department may issue Blanket Purchase Orders to selected vendors for the procurement of large volume items or annual services. Blanket Purchase Orders should not be used for items normally carried in stock.

Requests for Blanket Purchase Orders must, in addition to the required information, indicate the items covered by the Blanket Purchase Order and a Not to Exceed (NTE) amount. The issued PO will instruct the vendor that unauthorized purchases will not be allowed. The Department Head is to provide a list of authorized personnel who are permitted to execute a purchase under the Blanket PO. It is the responsibility of the individual authorized to purchase under a Blanket Purchase Order to ensure adequate funds are available for purchases. **Any purchase exceeding the funds available under a Blanket Purchase Order will be classified as an unauthorized purchase.**

The vendor's packing slip or invoice must indicate the PO number and be signed by an authorized City employee and include the appropriate general ledger account number. Departments will forward the packing slip or invoice immediately to Accounts Payable for payment.

Blanket Purchase Orders are only valid for the current fiscal year for which they are entered.

2. Service Contracts

All service contracts, for which the contractor will perform work while on City property, must be accompanied by a standard contract form. The contract must follow all signature procedures and contain all necessary insurance and payment options. The completed and signed contract must be forwarded to the Purchasing Manager prior to the release of the requisition to the purchase order. The City will not enter into contractual agreements that are subject to automatic renewal and will attempt to structure contracts to coincide with the fiscal year.

Contracts authorized by City Council through direct award or budget authorization may be

executed by the City Manager. Subsequent orders changing the original contract, which do not exceed the approved cost of the contract, will be executed by the City Manager or the Assistant City Manager. Department heads may execute maintenance contracts with City Manager approval.

City Council must approve all contracts that meet any of the following criteria:

1. Contracts subject to statutory bid thresholds,
2. Contracts with terms greater than one year,
3. Contracts exceeding budgetary approval, which require a budget amendment,
4. Contracts suggesting a significant policy change as determined by the City Manager.

3. Emergency Purchases

In cases of emergency, the Department Head may purchase directly from any vendor supplies or services whose immediate procurement is essential to prevent delays in work that may affect the life, health, safety, and/or convenience of City of Clinton employees or citizens. An emergency is defined as a situation in which the department cannot continue to operate without an emergency PO being issued.

The user department shall exercise good judgment and use established vendors when making emergency purchases. Always obtain the best possible price and limit purchases to those items emergency related. **Not anticipating needs does not constitute an emergency.** First, determine if a true emergency does exist. Second, anticipate needs and avoid emergencies whenever possible. Emergency orders are always costly. Vendors usually charge top prices if supplies or services must be obtained on an emergency basis.

During business hours, the following procedure should be used for emergency purchases:

Contact the Purchasing Manager and give all pertinent information to obtain a Purchase Order. The information needed will include vendor name, item(s) to be purchased with quantities, expenditure account to which the item(s) will be charged, and the reason for the emergency purchase. After verifying available funds, a PO number will be issued for the expenditure, and a confirming PO will be sent to the requesting department.

After business hours, the following procedure should be used for emergency purchases:

The packing slip or invoice received should be coded with the account(s) to be charged and signed. A brief explanation of the nature of the emergency should be attached. The Purchasing Manager must be notified of the purchase and the circumstances the morning of the next business day.

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

4. Call-in Requests for Purchase Orders

Call-in requests for Purchase Orders will be used for **emergencies only**. However, Purchasing will allow the faxing or emailing of requests for rapid expedition.

5. Purchase Order Cut-off Date

Purchase requests for materials, supplies, services, and equipment not located in Blanket Purchase Orders for the ending current fiscal year must be submitted to the Purchasing Manager no later than May 15. Purchase requests of a routine nature that could have been scheduled prior to May 15, and are not critical, will be returned to the department for disposition in the new fiscal year. This procedure affords the Finance Department the opportunity to complete fiscal year end activities in a timely and proper manner.

6. State of North Carolina Purchase Contract

The Purchasing Manager will use the State of North Carolina Department of Administration Purchase and Contract Division whenever possible for procurement of capital and non-capital items. This system expedites the purchase of goods, offers pricing compatible with quotes received from formal and informal bids, and satisfies North Carolina General Statutes. Examples of goods on State Contract are law enforcement vehicles, office furniture, copiers, janitorial supplies, copier paper, light bulbs, etc. Contact the Purchasing Manager with questions regarding goods on State Contract. The State of North Carolina Interactive Purchasing System can be found on the web at www.ips.state.nc.us/ips/Default.aspx.

7. Piggybacking

The Purchasing Manager may use the piggybacking process whenever necessary to purchase apparatus, supplies, materials, and equipment. Contracts in the informal range can be used as a tool to solicit additional bids, but no Council action is necessary. For purchases of \$90,000 and above, the provisions of G.S. 143-129 will be followed.

8. Professional Services

Normal competitive procedures are difficult to use in securing professional services such as attorneys, planners, and other professional people who, in keeping with the standards of their discipline, will not enter into a competitive bidding process. When an agreement between a professional service company and the City is established, a Purchase Order with the proposed amount shall be issued to satisfy accounting and statutory requirements.

9. Petty Cash

A petty cash fund has been established for the purchase of expendable items such as office supplies costing less than \$20.00. Employees wishing to purchase items and to be reimbursed with petty cash must provide a receipt for the purchase to the Finance Department.

10. Credit Card

The City maintains a credit card for such instances as online purchasing, hotel reservations, or other purchases above petty cash limits but not requiring a purchase order. The card must be signed out through the Finance Director and only to those authorized by each Department Head.

It is the cardholder's responsibility to provide a detailed receipt for each transaction on the billing statement. Telephone orders that do not generate receipts shall be evidenced by a catalog page and supplemented by any documentation that becomes available once the transaction is complete. Internet purchases should be evidenced by a printout of the order confirmation page. Authorized employees must give all credit card documentation to the department head for their approval. The approval must include the PO number when applicable, the general ledger account number, and be signed and forwarded to Accounts Payable.

Undocumented transactions (transactions turned in to be paid without a receipt) are not allowed and will be considered personal transactions. If the employee does not have documentation of a transaction listed on the monthly statement, he/she shall attach an explanation that includes a description of the item(s) purchased, date of purchase, vendor's name, and reason for the lack of documentation. The Finance Department may request additional information or may disallow the transaction and the employee will be personally responsible for the transaction amount.

Article VII

Competitive Bids

1. Formal Bids: Supplies and Materials

To purchase supplies, apparatus, materials, and equipment with an expenditure of \$90,000 or more in accordance with N.C. G.S. 143-129, the Department Head, in conjunction with the Purchasing Manager shall develop and prepare specifications for bidding. The Purchasing Manager shall be responsible for ensuring that all North Carolina General Statutes are satisfied, including but not limited to newspaper advertisement and receipt of sealed bids. The City Council, pursuant to G.S. 143-129(b), has further authorized the Purchasing Manager to advertise by electronic means as an alternative to newspaper advertisement whenever it is deemed the most effective and efficient method of obtaining bids.

After receipt of a bid, the Purchasing Manager, with the Department Head, shall review all bid responses to determine the bid deemed in the best interest of the City. The Department Head shall make a formal recommendation of award, with supporting documentation, to the Finance Director, City Manager, and the City Council.

Upon City Council approval of the recommendation, the Department Head should submit a completed Purchase Requisition with the appropriate signature. The Purchasing Manager shall then initiate the purchase order and contact the Department Head to inform the successful bidder(s).

2. Informal Bids: Supplies and Materials

The Purchasing Manager shall utilize the informal bidding process per N.C. G.S. 143-131 for purchases of \$30,000 to the formal limits established by N.C. G.S. 143-129. The informal bidding process requires that competitive pricing be obtained in a written manner using a Request for Quotation (RFQ). These requests are sent to several services who can supply the product(s) desired. Once received, the quote deemed in the best interest of the City will be determined and the Department Head shall submit a properly executed Purchase Requisition. The Purchasing Manager shall then generate the Purchase Order and contact the Department Head to inform the successful bidder(s).

3. Purchases of Supplies and Materials

For expenditures of less than \$30,000, the Purchasing Manager shall accept written quotes. Every effort to obtain three quotes shall be exercised. Once the quote deemed in the best interest of the City is determined, the Department Head shall submit a properly executed Purchase Requisition. The Purchasing Manager shall then generate the Purchase Order and contact the Department Head to inform the successful bidder(s).

4. Formal Bids: Construction and Repair Work

Construction contracts within formal bid range of \$500,000 or above per N.C. G.S. 143-129 shall be the responsibility of the Department Head, the contracted engineer, and other City officials as deemed necessary. These officials are responsible for specification development. After the formal bidding process is completed, the Department Head shall recommend to the City Council the lowest responsible bidder deemed in the best interest of the City. Upon award by the City Council and execution of the contract, the Department Head shall initiate an Electronic Purchase Requisition so that a Purchase Order can be generated to encumber the expenditure account. The Purchasing Manager shall initiate the purchase order and contact the Department Head to inform the successful bidder(s).

5. Informal Bids: Construction and Repair Work

Construction renovation or repair work per N.C. G.S. 143-131 of \$30,000 to the formal limits established by N.C. G.S. 143-129 shall be the responsibility of the Department Head, the contracted engineer, and other City officials as deemed necessary. The bid award will be made to the lowest responsible bidder deemed in the best interest of the City. Upon approval by the City Manager or City Council if required and execution of the contract, the Department Head shall initiate an Electronic Purchase Requisition so that a Purchase Order

can be generated to encumber the expenditure account. The Purchasing Manager shall initiate the purchase order and contact the Department Head to inform the successful bidder(s).

6. Other Construction and Repair Work

For expenditures of less than \$30,000, the Purchasing Manager shall accept written quotes. Every effort to obtain three quotes shall be exercised. Once the quote deemed in the best interest of the City is determined, the Department Head shall submit a properly executed Purchase Requisition. The Purchasing Manager shall then generate the Purchase Order and contact the Department Head to inform the successful bidder(s).

Article VIII

Specifications

1. Policy

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

1. Identify minimum requirements.
2. Encourage competitive bids.
3. Be capable of objective review.
4. Provide for an equitable award at the lowest possible cost.

Specifications should be as simple as possible while maintaining the degree of exactness required to assure that bidders are offering the quality of goods and services required. Such exactness also prevents bidders from taking advantage of their competitors by not offering the quality of goods and level of service required by the City.

All specifications utilizing a name brand must include the term “or approved equal” to avoid being restrictive and eliminating fair competition from the bidding process.

Different methods of structuring specifications include:

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

Article IX

Delivery and Performance

1. Policy

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

The importance of the delivery schedule will be emphasized to the vendor. Delivery requirements will be clearly written and fully understood by all vendors. If several items are required by the Purchase Order, there may be a different delivery schedule for each item.

2. Partial Deliveries

Some Purchase Orders may list several items. It is possible the vendor will complete timely delivery on some items, which are referred to as “partial deliveries.” Upon receipt of a partial delivery, a copy of the signed delivery receipt or invoice should be labeled “partial delivery” with the correct PO number and forwarded to the Finance Department.

3. Non-performance

If the vendor fails to meet the requirement(s) of the specification or terms and conditions of the contract or Purchase Order, the vendor can be cited for non-performance. The seriousness of non-performance will be evaluated based upon the circumstances of each violation.

Article X

Inspection and Testing

1. Policy

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

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

2. Rejection

In order to protect the City's rights in the event of rejection, for whatever reason, the vendor shall be informed immediately. Reasons for the rejection must be documented in memo form, attached to a copy of the Purchase Order, and forwarded to the Purchasing Manager in a timely manner. The Purchasing Manager or authorized personnel will notify the vendor of the reason for the rejection.

3. Damaged Goods

One of the major reasons for immediately inspecting the goods or materials upon receipt is to detect any visible damage. When it is apparent that the extent of the damage causes the goods to be worthless, they will not be accepted. If the damage is not apparent until after the goods have been accepted, the Purchasing Manager or authorized personnel will notify the vendor of the reason for the rejection. It is necessary that all damage, including evidence of concealed damage, shall be documented by memo, attached to a copy of the purchase order, and forwarded to the Purchasing Manager.

4. Latent Defects

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

Article XI

Warehousing

1. Policy

A warehouse is maintained by each department at their location in an effort to keep items in stock most commonly used by each department.

Article XII

Other

1. Related General Statutes and City Ordinances

Related statutory provisions are as follows:

- Accounting and Budgeting (N.C. G.S. 159-7)
- Badges and Weapons of Law Enforcement Personnel (N.C. G.S. 20-187.2)
- Bid Advertisement Authorization (N.C. G.S. 143-129(b))
- Conflict of Interest (N.C. G.S. 14-234; Clinton Code Article VII, Section 22-234)
- Disposal of Confiscated Weapons: Sale of Pistols (N.C. G.S. 14, Articles 52A, 53; Clinton Code Article II, Section 14-116)
- Exchange, Sale and Lease of Property Between Governments (N.C. G.S. 160A-274)
- Gifts and Favors (N.C. G.S. 133-32)
- Joint Functions – Cooperative Purchasing (N.C. G.S. Chapter 160, Article 20; Clinton Code Article II, Section 13-16)
- Minority Contracting: State Policy (N.C. G.S. 143-135-5)
- Private Use of State’s Purchasing System (N.C. G.S. 143-58.1)
- Sale of Property (N.C. G.S. 160A, Article 12; Clinton Code Article III, Section 2-77)
- Sale of Seized and Unclaimed Property, Bicycles (N.C. G.S. 15, Article 2; Clinton Code Article III, Section 2-77; Clinton Code Article IV, Section 15-87)



CITY OF CLINTON

MINORITY BUSINESS PARTICIPATION OUTREACH PLAN

Approved: _____

CITY OF CLINTON

MINORITY BUSINESS PARTICIPATION OUTREACH PLAN

1. Goal

The goal of the City of Clinton in adopting this Minority Business Participation Outreach Plan is to provide minority businesses, as defined in N.C. G.S. 143-128.2(g), equal access and opportunity to participate fully in all aspects of construction projects greater than \$100,000 are subject to this plan. The City of Clinton encourages all those associated with construction projects subject to this plan to commit to this goal through a good faith effort.

2. Statement of Policy

It is the policy of the City of Clinton to award public building contracts without regard to race, religion, color, creed, national origin, sex, age, or handicapping condition, as defined in N.C. G.S. 168A-3. [143-128.2(h)]

3. Plan Objectives and Applicability

The City of Clinton Minority Business Participation Outreach Plan is developed to comply with State Law 2001-496 (Senate Bill 914, signed 19 December 2001, and effective 1 January 2002).

This plan has further been developed to assist the City of Clinton in reaching its verifiable percentage goal of 10 percent minority business participation in all construction contracts.

It is not the intent of this plan to require City of Clinton to take additional steps beyond those required by N.C. G.S. 143-128.2. Rather, it is the intent of this plan to establish the procedures that City of Clinton will use to comply with N.C. G.S. 143-128.2. This plan establishes the good faith efforts that the City of Clinton will take to meet the plan objectives and accomplish the plan's goal.

4. Plan Administration

The City Manager of the City of Clinton will cause this policy to be implemented as adopted by the City Council and will be responsible for all activities contained in this policy.

5. Good Faith Efforts

In an effort to encourage minority business participation in all construction contracts, the City of Clinton will undertake the following actions for projects to which this plan applies.

- I. City of Clinton establishes these procedures as the "Minority Business Participation Outreach Plan" required by N.C. G.S. 143-128.2(e)(1).
 - a. City of Clinton, its employees, and its consultants will take whatever measures it deems appropriate to encourage the education, recruitment, and interaction between minority businesses, non-minority businesses, and the City of Clinton. [N.C. G.S. 143-128.2(e)(1)]

- b. The City of Clinton will make efforts to require bidders and contractors to undertake the good faith efforts in N.C. G.S. 143-128.2(f).
- II. City of Clinton will schedule and hold a pre-bid meeting for potential bidders and interested HUB subcontractors. [N.C. G.S. 143-128.2(e)(2)]
- a. At this pre-bid meeting, the City of Clinton will furnish a copy of the City of Clinton solicitation list.
- III. City of Clinton will establish a solicitation list of HUBs:
- a. The City of Clinton will research the Historically Underutilized Business web site for each contract from time to time and record all HUBs who have registered on the site, in the general geographical area of the county.
 - b. In the same time frame, City of Clinton will research Federal web sites that also list HUBs (currently including SBA SUB-Net), and record those HUBs who have registered on the site, in the general area of the City of Clinton.
 - c. City of Clinton will also record HUBs who directly contact City of Clinton to request that they be contacted in the event of a public bid offering.
- IV. City of Clinton will directly solicit HUBs in the City of Clinton solicitation list. [N.C. G.S. 143-128.2(e)(3)]
- a. At least 10 days prior to bid opening, City of Clinton will furnish HUBs on the City of Clinton solicitation list with a copy of advertisements for bid in the categories that they have requested. The advertisement will include a description of the work for which the bid is being solicited, the date, time and location where the bids may be submitted, where the bids will be opened, the name of the City of Clinton employee or representative who is available to answer questions about the project, where the bid documents may be reviewed or a copy obtained, and any other special requirements that may exist.
 - b. City of Clinton may contact such HUBs by email, mail, fax, or other means.
- V. City of Clinton will widely advertise opportunities to bid to be open to HUB bidders. [N.C. G.S. 143-128.2(e)(4)]
- a. City of Clinton will advertise opportunities to bid as follows:
 1. In a local newspaper, currently *The Sampson Independent*, located in Clinton, NC.
 2. In a regional urban newspaper, currently the *Raleigh News and Observer*, *Wilmington Star*, or *The Fayetteville Observer*.
 3. In a newspaper serving the area that currently serves a large minority population, such as *The Daily Drum* located in Greenville, NC, *The Fayetteville Press* located in Fayetteville, NC, *The Greater Diversity News* located in Wilmington, NC, or *The Carolinian Newspaper* located in Raleigh, NC.
 - b. City of Clinton will post on its website (www.cityofclintonnc.com) advertisements for bids for construction contracts. The City of Clinton will post a notice that all bidders, especially HUBs, are invited and encouraged to bid.

6. Post Award Monitoring

To enable City of Clinton to report MBE participation properly, City of Clinton will require contractors engaged in the construction projects subject to this plan to submit “**MBE Documentation for Contract Payment**” form with each request for payments. City of Clinton will not consider the request for payment to be complete and will not process it without the “**MBE Documentation for Contract Payment**” form. The form will be part of the bid specifications.

A Contractor who has been awarded a project based upon a given level of minority business participation is responsible for ensuring that the minority business participation does not materially vary from that originally specified when receiving the contract award.

Contractors must follow the requirements G. S. 143-128.2 and the contract documents. City of Clinton will consider failure to comply with the law and contract documents to be a breach of contract and may subject the contractor to annulment of the contract.

7. Professional Services

City of Clinton will review and consider the utilization of minority business consultants when evaluating professional service proposals. The goals for the participation of minority businesses will be consistent with their general availability within the professional communities involved. Advertisements for professional services will encourage participation by minority business firms.

8. Reporting and Review

With respect to each building project, City of Clinton will report the following to the North Carolina Department of Administration’s Office for Historically Underutilized Businesses (HUB) annually [N.C. G.S. 143-128.3]:

1. The verifiable percentage goal.
2. The type and total dollar value of the project, minority business utilization by minority category, trade, total dollar value of contracts awarded to each minority group for each project, the applicable good faith effort guidelines or rules used to recruit minority business participation, and good faith documentation accepted by the public entity from the successful bidder.
3. The utilization of minority businesses under the various construction methods under N.C. G.S. 143-128(al).

The reports shall be in the format and contain in the data prescribed by the Secretary of Administration.

The City of Clinton will make the report even if there is no building project to report during a specific reporting period.

Request for Transfer of Funds

Date	Name, Department	Description & Reason for Transfer	Transfer From GL #	Transfer To GL #	Initials

Approved by:

City Manager

Date

Finance Director

Date