

WARREN COUNTY PURCHASING MANUAL

STATEMENT OF PHILOSOPHY, MISSION AND VISION

PHILOSOPHY

1. Understand the needs of each County department and the time frame required by that department to acquire products and services.
2. Effectively communicate with requisitioners regarding the status of their requisitions.
3. Educate requisitioners regarding proper requisition procedures.
4. Satisfy the needs of requisitioners in a cost effective and responsible manner.
5. Remain aware of and open to new issues, processes, procedures and technology that can improve the County's acquisitions of products and services.
6. Acquire the products and services in a manner that does not discriminate against any person on the basis of race, religion, gender, age, disability or any other discriminatory basis prohibited by applicable law.

MISSION

The mission of the Warren County Purchasing Department is to acquire from appropriate sources the products and/or services needed by the County in a timely and cost effective manner while adhering to the policies and procedures prescribed by this Manual, as amended, and as required by applicable law.

VISION

Warren County promotes a cooperative decision making environment that seeks team oriented solutions to enable the County to:

1. Challenge and motivate employees to grow as professionals;
2. Provide quality processes, programs and services;
3. Consistently seek ways to better serve the County and its citizens;
4. Continue to expand the scope of services;
5. Treat others with respect and courtesy;
6. Maintain a level of professionalism and integrity that is beyond reproach.

SECTION 1 INTRODUCTION

- 1.1. Purpose - This Purchasing Manual shall serve as the purchasing policies and procedures applicable to all units of County Government including but not limited to County Officers, County Employees, Independently Elected Officials, the Courts and Agencies Warren County, including County boards and commissions.
- 1.2. Scope - The Scope of this Manual includes the purchases by all units of County Government including but not limited to County Officers, Independently Elected Officials, the Courts and Agencies of Warren County, including County boards and commissions. This Manual preempts all previous purchasing policies and procedures. Any issues regarding the County purchasing process that is not addressed in this Manual shall be addressed by the Purchasing Department at the direction of the Board of Commissioners.

While Warren County respects the supremacy of State and Federal law, there are policies and procedures within this Manual that seek to impose more stringent requirements on the County's purchasing procedures than are required by State or Federal law. In the event that a question should arise within the Purchasing Department as to whether an action to be taken pursuant to this Manual would violate then existing State or Federal law, no such action shall be taken unless and until the question is presented to the County Solicitor and such action is deemed permissible in a written opinion issued by the County Solicitor.

- 1.3. Definitions - The following words, when used in the Manual, shall be defined as follows, unless the context indicates otherwise or unless such words are redefined of a section or subsection of this Manual.
 - 1.3.1. "Requisitioner" - shall mean any of the units of County Government including but not limited to County Officers, Independently Elected Officials, the Courts and Agencies of Warren County including County boards and commissions.
 - 1.3.2. "Products" - shall mean materials, commodities, supplies, furnishings, equipment or personal property required for the conduct of business of the County.
 - 1.3.3. "Services" - shall mean services required for the conduct of business of the County.
 - 1.3.4. "Purchase" or "Purchases" - shall mean any contractual arrangement or transaction involving payment for the acquisition or lease of Products or Services.
 - 1.3.5. "Purchasing Officer" - shall mean those County employees in the Warren County Purchasing Department who are assigned by the head of such Department the responsibility of placing orders for the purchase of Products and/or Services.
 - 1.3.6. "IFB" - shall mean an Invitation for Bids.

- 1.3.7. "RFP" - shall mean a Request for Proposals.
- 1.3.8. "RFQ" - shall mean Request for Qualifications.
- 1.3.9. "Code" - shall mean the County Code, 16 P. S. § 101 et seq.
- 1.3.10. "Manual" - shall mean this Purchasing Manual.
- 1.3.11. "Commissioners" – shall mean the Warren County Board of Commissioners.
- 1.4. Distribution -This Manual will be distributed to all units of County Government including but not limited to County Officers, Independently Elected Officials, the Courts and Agencies of Warren County, including County Boards and Commissions, and to all County Employees involved in the purchasing process. This Manual will also be available on the County's website at www.warrencountypa.net.
- 1.5. Implementation –
- 1.5.1. Except for those contracts or purchases governed by Sections 3.7.8 and 4.13 of this Manual and except as otherwise mandated by State or Federal law, the Purchasing Department shall be responsible for the purchase or lease of all Products and Services. With respect to any contract or purchasing processes herein excluded from the responsibility of the Purchasing Department, the Purchasing Department shall be involved in such contract or purchasing processes in the manner and to the extent as directed at the discretion of the County Commissioners.
- 1.5.2. The County Commissioners shall be responsible for implementing and enforcing the policies and procedures as set forth in this Manual.
- 1.5.3. The County Commissioners shall exercise authority over the County purchasing process for the purpose of implementing and enforcing these policies and procedures on a countywide basis, as well as in the Purchasing Department for its role in the process.
- 1.5.4. Each County Department Director, County Officer, Independently Elected Official, Agency Director and Court Administrator shall be responsible for implementing and enforcing these policies and procedures within their respective jurisdictions.
- 1.5.5. Revisions -This Manual is to serve as a permanent, up-to-date guide to County purchasing policies and procedures. This Manual shall be reviewed on an annual basis and appropriate changes in policies and procedures shall be made as needed from time to time.

- 1.5.6. Recommendations-County employees are encouraged to make recommendations on ways to improve this Manual by submitting such recommendations in writing to the Purchasing Department.

SECTION 2 CONTRACTS

- 2.1 Pursuant to Section 1801 of the Code, the County Commissioners are the sole contractors for the County. No other person or entity has the authority to execute any contract on behalf of the county.
- 2.2 All contracting provisions of the Code, including Sections 1801 thru 1807, incorporated herein by reference thereto, shall apply.
- 2.3 The Fiscal Department shall function as the Contracts Office for Warren County and the Fiscal Director is designated Contracts Officer. All contracts for goods and services shall be received and reviewed by the Contracts Officer prior to submission to the Board of Commissioners for execution.
- 2.4 The Contracts Office shall be a repository for all County contracts and copies of existing and future contracts shall be assembled and shall reside there.

SECTION 3 PURCHASES

- 3.1. All County purchasing activity is subject to the authority and approval of the Board of Commissioners. The Fiscal Department shall function as the Purchasing Department for Warren County, on behalf of the Board of Commissioners, and the Fiscal director is designated the Purchasing Officer of the County. The Purchasing Officer, or his designee(s), will work with Requisitioners to develop specifications that allow the County to maximize efficiencies and cost savings while meeting the needs of the Requisitioner. The Purchasing Department retains the authority and responsibility to challenge the needs of Requisitioners for purchases of Products or Services and/or the specification submitted by Requisitioners describing the requirements of Products and Services to be purchased. Requisitioners must show compelling reasons why there is a need for a particular type or model of Product and whether there is more than one source or distributor for the Product or Services. The Purchasing Office shall review to determine if there are other suitable competitive Products or Services and/or whether there are alternative suppliers selling the desired Product or Service.
- 3.2. Standardization -The Purchasing Officer shall work with all Requisitioners throughout the County to standardize, to the greatest extent practicable, similar types of Products or Services in order to effectuate cost effectiveness.
- 3.3 Requisitions -Unless a purchase is an emergency under Section 3.4 of this Manual, Requisitioners who require Products or Services shall submit a requisition to the Fiscal

Department on the appropriate County requisition form or in an approved electronic format.

- 3.3.1. The Fiscal Department will work with Requisitioners regarding the identification and timing of needs.
 - 3.3.2. All information on the requisition form must be accurately provided. Item descriptions shall be complete, citing appropriate part numbers and specifications as applicable. In most cases, quantities must be requested by unit of measure.
 - 3.3.3. All requisitions shall identify an Expense Code that has sufficient appropriations in the Budget. Requisitions without sufficient appropriations will be returned to the requesting Requisitioner. Requisitions will be forwarded to the Purchasing Department for Purchase Order issuance and implementation (purchase of goods or services).
- 3.4. Orders during State of Emergency -The policies and procedures prescribed by this Manual may be waived at the direction of the County Commissioners following the declaration of a State of Emergency by the County Commissioners. However, any purchases made during a State of Emergency that do not comply with the policies and procedures of this Manual must be limited to those purchases directly related to emergency response and recovery activities.
- 3.5. Bidders Lists -Purchasing officer shall retain lists of companies interested in bidding on Products and Services that the Purchasing Officer manages.
- 3.6. Purchases of \$4,000 to \$10,000
- 3.6.1. Requisitioners who require purchases of \$4,000 to \$10,000 for Products or Services not under County contract shall attach to the requisition written quotes provided from three (3) appropriate suppliers of the needed Products or Services. With respect to Sections 3.6.1 and 3.6.2.1 of this Manual, each written quote provided by a supplier shall be on the supplier's letterhead and shall identify at least the date of the quote, the Product or Service that is the subject of the quote, the quoted price, the name of the supplier, the address of the supplier, the telephone number of the supplier and the contact person of the supplier. If the Requisitioner has attempted to obtain written quotes from three (3) appropriate suppliers but less than three (3) suppliers have provided quotes, the Requisitioner shall attach to the requisition any quotes provided by suppliers and a memorandum identifying the other suppliers that were requested to provide quotes but that failed to do so.

3.6.2. Upon submission of a requisition for expenditures of \$4,000 to \$10,000 for items not under County contract, the Purchasing Officer shall review any Requisitioner-supplied quotes.

3.6.2.1. The Purchasing Officer shall either place the order as requested by the Requisitioner or obtain additional written quotes. In the event that fewer than three (3) qualified contractors exist in the market area within which it is practicable to obtain quotations, a memorandum verifying such fact shall be kept on file in lieu of the requisite number of price quotations.

3.6.2.2. As a general guideline, Purchasing Officer shall attempt to broaden the list of suppliers from whom the Purchasing Officer request quotes so as to afford other qualified suppliers a chance to earn County business. The goal shall be to obtain quotes from other than the same three (3) companies for similar purchases while at the same time obtaining the most cost effective purchase for the County.

3.6.2.3. Purchasing Officer is encouraged to negotiate with suppliers in order to get the lowest delivered cost for the purchase.

3.6.2.4. If Purchasing Officer believe it is advantageous to the County, they may negotiate to have particular prices held firm for an established period of time, which in all such instances shall be memorialized by a written agreement through a Letter of Agreement approved by the County Solicitor and signed by the head of the Purchasing Department as the designee of the County Commissioners unless such authorization is revoked or suspended by the County Commissioners. The Purchasing Officer shall, where possible, anticipate the needs of the various officers, agencies and operations of the County and endeavor to purchase in volume discounted quantities, where practicable and where savings could be achieved thereby.

3.6.2.5. The Purchasing Officer shall consider cost, quality and performance in determining whether he/she believes a fair and reasonable price has been obtained.

3.6.2.6. The Purchasing Officer shall keep a record of all quotations received and the awards made thereon. Written price quotations, written records of telephonic price quotations, Purchase Orders and related memoranda shall be retained for a period of three (3) years.

3.6.2.7. The Purchasing Officer may use electronic means, including auctions, to obtain quotes as appropriate.

3.6.2.8. The Purchasing Officer shall see that the purchasing process is fair and equitable.

- 3.6.3 Once an award decision has been made, the Product or Service shall be purchased with the standard County Purchase Order with appropriate terms and conditions and bearing the signature of the head of the Purchase Department as the designee of the County Commissioners unless such authorization is revoked or suspended by the County Commissioners. Should it be necessary or advantageous that an award be memorialized by documentation other than the standard County Purchase Order, such documentation shall first be approved by the County Commissioners prior to execution by the head of the Purchasing Department as the designee of the County Commissioners (unless such authorization is revoked or suspended by the County Commissioners).
- 3.6.4. Copies of all Purchase Orders, related memoranda and documentation, contracts and Letters of Agreement as set forth above shall be filed in the office of the Purchasing Department.

3.7 Purchases over \$10,000 (Formal Purchase Process)

- 3.7.1. All contracts for Products and Services where the amount thereof exceeds the sum of \$10,000 shall be written and shall, except as set forth in Section 4.13 and as otherwise hereinafter specified, be made by advertising for bids.
- 3.7.2. Contracts or purchases for Products or Services in excess of \$10,000, except those hereinafter mentioned and except as provided by the act of October 27, 1979 (P.L. 241, No. 78), entitled "An act authorizing political subdivisions, municipality authorities and transportation authorities to enter into contracts for the purchase of goods and the sale of real and personal property where no bids are received" shall not be made except with and from the lowest responsible and responsive bidder submitting a bid in conformity with the specifications approved by the Board of Commissioners for the contract or purchase, after due notice in one newspaper of general circulation, published or circulating in the county, at least two (2) times at intervals of not less than three (3) days where daily newspapers of general circulation are employed for such publication, or in case weekly newspapers are employed then the notice shall be published once a week for two (2) successive weeks. The first advertisement shall be published not less than ten (10) days prior to the date fixed for the opening of bids. The requirements of this subsection need not be followed in cases of a State of Emergency, but in such cases the actual State of Emergency shall be declared and stated by resolution of the County Commissioners.
- 3.7.3 All bids shall be received by the County Clerk in sealed envelopes. Bids shall be opened publicly at time and place specified in the advertisement for bids, in the presence of the Clerk, by the Commissioners or their designee. The Clerk shall keep a record of all such bids and awards, and the Fiscal Department shall ensure no checks for contracts not made agreeably thereto.

- 3.7.4 The amount or price of the contract shall, in all cases whether of straight sale price, conditional sale, lease, lease purchase or otherwise, be the entire amount which the County pays to the successful bidder, or his assigns, less the value of personal property transferred from the County to the bidder, or his assigns, at any time during the duration of the contract, in order to obtain the services or property, or both, and shall not be construed to mean only the amount which is paid to acquire title, or to receive any other particular benefit or benefits of the whole bargain. The value of personal property transferred to the bidder or his assigns upon execution of the contract shall be specified in the bid. The method of determining the value of personal property transferred to the bidder or his assigns at a time during the duration of the contract shall be specified in the bid and shall be determined using generally accepted valuation methods.
- 3.7.5. The acceptance of bids by advertising required herein shall be made by the Commissioners and shall only be made by public announcement at the meeting at which bids are opened, or at a subsequent meeting, the time and place of which shall be publicly announced when bids are so opened. If for any reason the award is not made at either of the above meetings, the same business may be transacted at any subsequent meeting, the time and place of which shall have been announced at the previous meeting held for such award. The contract shall be awarded, or all bids shall be rejected, within thirty (30) days of the opening of the bids, except for bids subject to 62 Pa.C.S. (relating to procurement). Thirty-day extensions of the date for the award may be made by the mutual written consent of the Commissioners and any bidder who wishes to remain under consideration for award. The Commissioners shall excuse from consideration any bidder not wishing to agree to a request for extension of the date for the award and shall release such bidder from any bid bond or similar bid security furnished under subsection 3.8.6. All contracts shall be filed with the Chief Clerk with a full and complete copy of the Contracts Office, immediately after their execution.
- 3.7.6. The Commissioners may require that any bids advertised be accompanied by cash, by a certified check, cashier's check, bank good faith check or other irrevocable letter of credit in a reasonable amount drawn upon a bank authorized to do business in this Commonwealth or by a bond with corporate surety in a reasonable amount. Whenever it is required that a bid be accompanied by cash, certified check, cashier's check, bank good faith check or other irrevocable letter of credit or bond, no bid shall be considered unless so accompanied. In the event any bidder shall, upon award of the contract to him, fail to comply with the requirements hereinafter stated as to security guaranteeing the performance of the contract, the security furnished under this subsection shall be forfeited to the County as liquidated damages.
- 3.7.7 The successful bidder, when a formal bid is required herein, may be required to furnish a bond or irrevocable letter of credit or other security in an amount sufficient to the Commissioners guaranteeing performance of the contract within

thirty days after the contract has been awarded, unless the Commissioners shall prescribe a shorter period. The successful bidder for a contract which involves the construction, erection, installation, completion, alteration, repair of or addition to any public work or improvement of any kind shall furnish security as provided in Section 2318 of the Code. Performance security for services and contracts for labor and materials delivered on a periodic basis, including, but not limited to, food service contracts, home health services and janitorial services and supplies, may be computed on the expected average value for one or more months at the discretion of the Commissioners. Upon failure to furnish such security within the time fixed, the previous awards shall be void. Deliveries, performances and guarantees may be required in all cases of expenditures, including the exceptions herein.

- 3.7.8. Notwithstanding the provisions of this Section to the contrary, the County Commissioners shall have authority to enter into contracts for equipment and services related to technology and information systems on the basis of best value procurement. Contracts under best value procurement shall be made only after the County has solicited proposals based on performance and outcome specifications developed by the County and describing at minimum the objectives to be met by the system, the tasks to be performed by the system, the users of the system, system security issues, the time frame for system implementation, potential operating technologies, compatibility with existing systems, training and maintenance and shall indicate the process by which the contract shall be awarded. Best value procurement shall not require a sealed bid process and shall permit the Commissioners to negotiate the terms of the agreement with any responsive and responsible vendor.
- 3.7.9. Every contract subject to this Section shall comply, as applicable, with the provisions of the act of March 3, 1978 (P.L. 6, No. 3), known as the "Steel Products Procurement Act," the act of October 28, 1983 (P.L. 176, No. 45), known as the "Antibid-Rigging Act," the act of December 20, 1967 (P.L. 869, No. 385), known as the "Public Works Contractors' Bond Law of 1967," the act of August 15, 1961 (P.L. 987, No. 442), known as the "Pennsylvania Prevailing Wage Act," the act of November 26, 1978 (P.L. 1309, No. 317), known as the "Public Works Contract Regulation Law," the act of February 17, 1994 (P.L. 73, No. 7), known as the "Contractor and Subcontractor Payment Act," the act of January 23, 1974 (P.L. 9, No. 4), referred to as the Public Contract Bid Withdrawal Law, and the act of April 4, 1984 (P.L. 193, No. 4D), known as the "Motor Vehicle Procurement Act."
- 3.7.10. No Commissioner or Commissioners shall evade the provisions of Section 3.8.2 as to advertising for bids or purchasing or contracting for Services and Products piece-meal, for the purpose of obtaining prices under \$10,000 upon transactions which should in the exercise of reasonable discretion and

prudence be conducted as one transaction amounting to more than \$10,000. This provision is intended to make unlawful the practice of evading advertising requirements by making a series of purchases or contracts each for less than the advertising requirement price, or by making several simultaneous purchases or contracts each below said price, when in either case the transaction involved should have been made as one transaction for one price. Contracts for the erection, construction and alteration of any public building where the entire cost of such work shall exceed \$10,000 shall be bid in accordance with Section 2317 of the Code.

SECTION 4 OTHER PURCHASING CONSIDERATIONS

- 4.1. Innovative Purchasing Processes -The Purchasing Officer may analyze, develop and implement innovative purchasing processes, including, but not limited to "on-line" purchases through computers, provided that such processes do not violate applicable law. These processes may include, but not be limited to, electronic bid distribution, electronic bid submissions, electronic reverse-auctions, and purchases over the Internet to include business-to-business and business-to-government trading sites.
- 4.2. Evidence of Receipt of Material-Upon receipt of ordered items, Requisitioners shall immediately sign, date and return to the Purchasing Department the Receipt of Material (ROM) so as to ensure that ordered goods are actually received prior to payment.
- 4.3. Samples -When sample materials are required of suppliers for the purpose of evaluation, requests for such samples shall be arranged through the Purchasing Department. It shall be the responsibility of the appropriate Purchasing Officer to expedite evaluations so that suppliers may be advised of results in a reasonable period of time after submission of samples. The Requisitioner shall notify the Purchasing Department in writing, as to the results of Product evaluations, which shall, in turn, so notify the supplier. Samples shall not be returned to suppliers. Purchasing Officer shall use discretion in disposing of samples.
- 4.4. Requisition Authority of Units of County Government including but not limited to County Officers, Independently Elected Officials, the Courts and Agencies of Warren County, including County Boards and Commissions -The head of each unit of County Government including but not limited to County Officers, Independently Elected Officials, the Courts and Agencies of Warren County, including County boards and commissions, shall designate the person or persons within said unit that have the authority to submit a requisition to the Purchasing Department on behalf of such unit. The Purchasing Department shall keep on file a list of such authorized persons in each unit as same may be amended from time to time.

- 4.5. Performance Record -The Purchasing Department may establish a supplier performance rating system for use in eliminating those suppliers who fail to perform or perform unsatisfactorily. The rating system shall be used for bid and proposal evaluation and award of contracts.
- 4.6. Penalties for Non-Performance -The Purchasing Department may establish penalties for non-performance, for delivery failures or default in contract. Continual failure to respond to IFBs or RFPs will result in removal from bidder's lists.
- 4.7. Ineligible Source List -The Purchasing Department may establish an Ineligible Source List for a reasonable period not to exceed three (3) years. The following may be reasons to place a supplier on the Ineligible Source List:
 - 4.7.1. Any supplier who submits a bid or proposal in bad faith,
 - 4.7.2. Any supplier who willfully or repeatedly breaches a contract with the County,
 - 4.7.3. Any supplier who repeatedly refuses to accept an award;
 - 4.7.4. Any supplier who has established a pattern or practice of unethical or immoral business practices.
- 4.8. Purchases from County Contracts - _The County may, as requested by municipalities, school districts and authorities within the County, consolidate its requirements with these municipalities, school districts and authorities to realize cost-savings accruing from this consolidated purchasing power. The Purchasing Department shall, to the maximum extent practicable, include in its IFBs and RFPs a provision which shall grant municipalities, school districts and authorities within the County permission to purchase under contracts awarded by the County.
- 4.9. Inventory Control and Sale/Disposition of Surplus Material or Equipment
 - 4.9.1. The Fiscal Department shall assist in tracking all County personal property with a value of at least \$300. Requisitioners shall notify the Fiscal Department whenever items with a value greater than \$300 are moved between offices so that the location of these items may be noted in an inventory database. Requisitioners are responsible for these items; the Fiscal Department only maintains the database.
 - 4.9.2. The Purchasing Department maintains a transient items warehouse where items not needed by a particular Requisitioner, but still usable, may be temporarily stored until needed by another Requisitioner. Movement of items to the transient items warehouse shall be coordinated through the

Purchasing Department. The transient items warehouse is not to be used as storage for Requisitioners' items. All items in the transient items warehouse are the property of the Purchasing Department.

- 4.9.3. Items having no further useful life to any County Requisitioners and of nominal value shall be disposed of through scrap or otherwise by resolution of the Board of Commissioners.
- 4.9.4. Requisitioners shall notify the Purchasing Department that surplus material or equipment is available for disposition. The Purchasing Department shall then appraise the value of the subject item(s). The information is forwarded to the Commissioner's Office for disposition of such item(s).
- 4.9.5. If the appraised value of the item(s) is over \$1,000, the Clerk shall formally advertise for bid requests under terms and conditions prescribed and approved by Resolution. In cases where the appraised value is less than \$1,000, the County shall post notice of the proposed sale in a prominent place in the court house for at least ten days directing that bids may be made thereon at the Chief Clerk's office; thereafter the Commissioners may sell the item(s) at the best price obtainable.
- 4.10 Electronic Auction bidding -If the Purchasing Department determines that a particular purchase may be in the County's best interest if purchased through an electronic auction bidding process, the Purchasing Department shall request the County Commissioners to approve the use of electronic auction bidding for that purchase.
- 4.11 Gratuities -The Purchasing Officer shall not accept gratuities of any sort (excluding promotional materials of nominal value, for example - pens, pencils and calendars) from prospective or current suppliers.
- 4.12 "Buy Local" Policy-To the extent there are multiple bidders for a County contract that qualify as the lowest responsible and responsive bidder, the County shall give a preference to the bidder that is a resident of the County. The residency of the bidder for purposes of this Section 4.12 shall be deemed to be the location of the bidder's principal place of business at the time the subject bid was submitted or the location of an office at which the bidder employed five (5) or more full-time employees as of the time the subject bid was submitted.
- 4.13 Purchases of Professional Services and other purchases exempted from bidding.
 - 4.13.1 The contracts or purchases made by the Commissioners which shall not require advertising, bidding price quotations, as hereinbefore provided, are as follows:

(1) Those for maintenance, repairs or replacements for water, electric light, or other public works of the County where they do not constitute new additions, extensions or enlargements of existing facilities and equipment. Security may be required by the commissioners as in other cases for work done.

(2) Those made for improvements, repairs and maintenance of any kind, made or provided by the County through its own employees. This shall not apply to construction materials used in a street improvement.

(3) Those where particular types, models or pieces of new equipment, articles, apparatus, appliances, vehicles or parts thereof, are desired by the Commissioners, which are patented and manufactured or copyrighted products.

(4) Those made for surety company bonds, those made for public utility service and electricity, natural gas or telecommunication services, provided that, in the case of utilities not under tariff with the Pennsylvania Public Utility Commission, contracts made without advertising and bidding shall be made only after receiving written or telephonic price quotations in accordance with the procedures specified in section 2.7 of this Manual.

(5) Those involving contracts entered into by nonprofit cooperative hospital service associations for hospitals and nursing homes which are part of the institutional district or which are owned by the County, operated by the County or affiliated with the County, by the purchasing of, or participating in contracts for, materials, supplies and equipment.

(6) Those made with any public body, including, but not limited to, the sale, lease or loan of any supplies or materials to the County by a public body, provided that the price thereof shall not be in excess of that fixed by the public body. The requirements of 53 Pa.C.S. Ch. 23 Subch. A (relating to intergovernmental cooperation) shall not apply when a County purchases cooperatively with another public body which has entered into a contract for supplies or materials. As used in this paragraph, "public body" shall mean any of the following: (i) the Federal Government; (ii) the Commonwealth of Pennsylvania; (iii) any other state; (iv) a political subdivision, local or municipal authority or other similar local entity of the Commonwealth or any other state; or (v) an agency of the Federal Government, the Commonwealth or any other state.

(7) Those exclusively involving construction management services.

(8) Those involving computer software.

(9) Those involving services of members of the medical or legal profession, registered architects, engineers, certified public accountants or other personal services involving professional expertise.

(10) Those related to professional services involving professional expertise that are to be provided to customers of a County program or initiative where the following applies: (i) the costs of the services are to be paid, or reimbursed to the County, from state or federal funds, (ii) the service provider has been pre approved by the state or federal government as an authorized service provider for such services and (iii) the customer has chosen the service provider from a list of pre-approved service providers.

4.13.2 Professional Services -Prior to the award of any contract that is more than \$10,000 and that is exempted from bidding pursuant to Sections 4.13.1(7), 4.13.1(8) and 4.13.1(9) of this Manual, the Commissioners shall first advertise a RFQ and/or RFP for the subject contract in one newspaper of general circulation, published or circulating in the county, at least two (2) times at intervals of not less than three (3) days where daily newspapers of general circulation are employed for such publication, or in case weekly newspapers are employed then the notice shall be published once a week for two (2) successive weeks. However, in the event that the Commissioners should determine, in their discretion, that special circumstances exist that necessitate the immediate engagement of the subject service, the Commissioners can waive the advertising requirements and elect to directly submit an RFQ and/or RFP to at least three (3) appropriate service providers. The response of a service provider to the County's RFQ and/or RFP must contain a statement of the range of fees or hourly rates presently charged for each category of task to be performed and/or for each professional to be assigned to the task and an assurance that the fees or hourly rates to be charged the County will be within such range and that the professionals assigned to each task will possess the qualifications and expertise needed to complete the task.

WARREN COUNTY BUDGET AND FINANCE CODE

PHILOSOPHY

The Warren County Commissioners are designated by the County Code as the managers and administrators of the fiscal affairs of the County (Section 1701) and are also charged by the Code with preparing and adopting an annual County budget (Section 1780 et seq.)

The budget should be viewed as a guideline for planning County expenditures. It is utilized by the Commissioners to determine cash requirements for County operations and the resulting tax rates to impose and other financial arrangements that must be addressed to meet such requirements. It should also be viewed as a maximum spending limit for the various County departments since exceeding discretionary spending for adopted budgetary line items is prohibited. The adopted budget should not be interpreted as an absolute “right” for department heads to spend up to a designated maximum for any item, but rather as an ongoing collaborative effort by the Commissioners and the various County departments to maintain spending at the most efficient level commensurate with the County’s commitment to provide necessary services to the residents of Warren County.

PURPOSE OF BUDGET AND FINANCE CODE

The purpose of the Warren County Budget and Finance Code is to establish as the standing policy of Warren County the development of an annual budget necessitating the exercise of control and fiduciary responsibility on the part of Warren County through its department heads, the Warren County Court of Common Pleas and each row officer for the revenues and expenses within their respective control area(s). This code will provide for internal review and discussion of budget proposals as well as public input prior to the approval of the budget by the Warren County Commissioners ("Commissioners") pursuant to the County Code (16 P.S. Section 1780 et seq.)

The Budget and Finance Code establishes a budget process that requires the involvement and cooperation of the Warren County Court of Common Pleas, Row Officers and department heads, encourages active internal and public discussion, and reflects the goals, objectives and economic realities of Warren County. The overall process will include a public budget message to residents, public inspection and hearings.

The Budget and Finance Code does hereby:

1. Establish the Fiscal Director as the Commissioners' Budget Administrator acting under their direction and on their behalf, to fulfill their responsibility to manage the fiscal affairs of the County pursuant to the County Code (16 PS Sections 1701, 1705, 1706, 1762, 1750 et seq.)

2. Establish an annual budget timeline that allows for sufficient review, comment and input of all budget proposals by the Board of Commissioners, Warren County Court of Common Pleas, Row Officers, department heads and the public.
3. Mandate the preparation of the annual budget.
4. Restrict department expenditure to adopted budget limits.
5. Establish procedures for the movement of budgeted dollars between accounts once the Commissioners have approved the budget.
6. Require the preparation and distribution of a monthly variance analysis, which will compare the current month's actual results to those that were budgeted for the current month, as well as, to the results for the same period a year prior. Row Officers and department heads will be asked to explain all variances that exceed budget amounts.
7. The Warren County Fiscal affairs will be managed and administered on a calendar year fiscal basis. Based on this, the annual budget timeline shall be as follows:
 1. On or about September 1st of each year, the President Judge of the Warren County Court Common Pleas, all Row Officers and department heads will receive blank budget templates, along with instructions for completing the templates, for the upcoming year. These templates will allow them to provide their monthly budget projections for the upcoming year. These templates be completed and returned to the Fiscal Department by October 1st.
 2. The Fiscal Department will compile the data as it is received and based on the information will prepare the upcoming year's initial draft budget. After reviewing the draft budget and plans the Fiscal Director may request additional data and/or information in order to adjust the draft budget or clarify potential questions prior to presenting the initial draft budget to the Board of Commissioners.
 3. An initial draft budget and the associated plans for the next calendar year will be presented to the Commissioners by the Fiscal Director for its review by October 7th.
 4. The Commissioners will complete their review of this initial draft budget by October 15th.
 5. Following its review of the draft budget the Commissioners will meet publicly with the President Judge of the Warren County Court of Common Pleas, or his/her designee, Row Officers and department heads, as necessary, to discuss budget items and concerns that either the Commissioners or the Court, Row Officer or department head many have and to enable them to support their

budget/plan proposals. The Row Officer and /or department head should be prepared to support, as necessary, their budget/plan proposals.

6. Based on the results of the discussions with Row Offices and department heads a 2nd draft budget will be compiled by the Fiscal Director and presented to the Commissioners.
7. At a public meeting in November the commissioners will present their tentative budget for the next year to the public. With Commissioners approval this tentative budget will be made available for public inspection.
8. After considering public input and comment the Commissioners will direct the Fiscal Director to compile the final budget for the next year along with the associated plans. The next year's final budget and associated plans will be presented and voted on, by the Commissioners, at their last public meeting in December.

CHANGES TO APPROVED ANNUAL BUDGET

1. Changes to the Adopted County budget will be limited to the movement of dollars between accounts. Expenditures in excess of adopted budget line item amounts are prohibited.
2. No increases to budgeted expenses will be permitted without an offsetting decrease in another expense category.
3. Movement of budgeted dollars between accounts will be handled as follows:
 - a. Intra-Department Transfer. The Row Officer or department head must submit their request in writing to the Fiscal Director. This request is to include the account number from which money is being transferred ("donor account"), the account number to which the money is being transferred ("recipient account"), the amount to be transferred, as well as a detailed explanation for the transfer. If the donor account has a balance that will sufficiently cover the requested transfer amount and the transfer is fiscally responsible based on the explanation provided the Fiscal Director will approve the transfer. Should the request be denied the requestor will be provided with a detailed explanation as to the reason(s) for the denial.
 - b. Inter-Departmental Transfer. The Row Officer or department head must submit their request in writing to the Fiscal Director. This request is to include the account number from which money is being transferred ("donor account"), the account number to which the money is being transferred ("recipient account"), the amount to be transferred, authorization from the Row officer or department head responsible for the donor account, as well as a detailed explanation for the transfer. If the donor account has a balance that will sufficiently cover the requested transfer amount and the transfer is fiscally responsible based on the explanation provided the Fiscal Director will approve the transfer. This request will then be placed on the agenda for the next

scheduled public meeting of the Commissioners. If approved by the Commissioners the request will be authorized. Should the request be denied by the Fiscal Director or the Commissioners the requestor will be provided with a detailed explanation as to the reason(s) for the denial.

VARIANCE ANALYSIS

The Fiscal Director shall prepare and present to the Commissioners on a monthly basis a budgetary variance analysis so as to enable the tracing of expenses and revenues, and the identification of potential problem areas before they can impact the county's financial condition and future planning. This analysis will present a comparison of the current month's actual results to the approved budget amount for the period, as well as, the result of the budget for the same period of the previous fiscal year. This report will be sent each Row Officer and department head together with a request for their written explanation within two weeks of their receipt of said report the reason(s) behind any variance that exceeds 5%.

FISCAL ADMINISTRATION

Being subject to the supervision and authority of the Board of Commissioners over the County's fiscal affairs the Fiscal Director shall, on their behalf, supervise and manage the fiscal affairs of the County. He shall maintain a full and regular set of books of account for the County. in detail by double entry accounting methods and in accordance with General Accepted Accounting Principles. He shall report on the financial condition of the County Board of Commissioners as they may require and he shall, on their behalf, coordinate an annual audit of the County's fiscal affairs with an independent public auditor appointed by the Board of Commissioners to prepare an Annual Report for the County for the purpose of meeting Federal and State requirements. He may require from other County officers or other persons an account of all County monies which may have come into their control and will report any discovery of default or delinquency to the Board of Commissioners. He may also require any such officer or other person to make a quarterly written statement with respect to monies in their possession and a history of receipts, deposits and dispositions of funds, and may examine every account and statement in any bank or other institution to verify the accuracy of any reports made to him.

GENERAL PROVISIONS

SEVERABILITY ----- Should any section, subsection, sentence, clause or phrase of this Manual be declared invalid by a Court of competent jurisdiction, such decision shall not affect the validity of the Manual in its entirety or any part thereof other than that so declared to be invalid.

EFFECTIVE DATE: Approved by the Warren County Commissioners at a regularly held meeting on the 28th day of June, 2006 and becomes effective the 29th day of June, 2006.

Warren County Board of Commissioners

John R. Bortz, Jr.
Chairman

Attest:

John E. Eggleston
Vice Chairman

Diane C. Bloomgren
Chief Clerk

David A. Bauer, Esq.
Secretary