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ADMINISTRATIVE ORDER NO. 75-6

OF THE

BOARD OF COUNTY COMMISSIONERS

JEFFERSON COUNTY, ALABAMA

October 1, 1975

PURSUANT TO the authority vested in the Board of County Commissioners by the Code of Alabama, the following Administrative Order is hereby issued:

PURPOSE

To facilitate County purchasing policy by implementing a new purchasing system for Jefferson County

1. Policy. In order for County business to function efficiently, it is necessary that commodities and services of suitable standards and quality be available when needed by the various County departments. Such commodities and services must be purchased at the best price advantage consistent with County standards of service and quality.
2. System Implementation. In accordance with this policy, a new purchasing system is established. This system and the procedures to be followed are explained in the following paragraphs. Detailed procedures will be submitted by the Budget and Management Office in cooperation with the Purchasing Agent to all departments.
3. Specifications. Material and equipment standards and specifications are the responsibility of the Buyers and will be written by them. Highly complex specifications will be written by the Buyers in cooperation with technically qualified personnel from the user departments and will be closely reviewed with input provided by the Purchasing Agent.
4. Procedures - Requisitions. Departments will plan in advance their needs allowing 30 days for routine purchase items and 45

days for items over \$500 in total costs. County units requiring materials, supplies, equipment and services will type and complete the Requisition in duplicate. The original will be sent to the Purchasing Department with the remaining copy retained by the department. Each department will assign a Requisition number based on its three-digit department account code, a one-digit division identifier code, last digit of fiscal year, and sequence number beginning with one (e.g. 510-0-6-1 would be first Requisition issued in Fiscal Year 1976 by Commission Offices). Object of Expenditure codes will also be assigned for each item requested by the departments in the appropriate space provided on the Requisition form.

5. Procedures - Distribution of Purchase Order Copies. The Purchase Order will consist of six copies. After preparing the purchase order, the Purchasing Department will remove the numeric copy for filing. It will then forward the Purchase Order to the Comptroller's Office for encumbering. After encumbering, the copies will be distributed in the following manner:
 - White (Original): To Vendor.
 - Pink: To Purchasing.
 - Yellow: To Comptroller's Office file.
 - Green & Blue: To operating unit.
6. Procedures - Distribution of Cooper Green Purchase Orders. The Purchasing function for Cooper Green Hospital will remain with the Purchasing Department. However, the distribution of Purchase Orders for Cooper Green Hospital will differ. After preparing the Purchase Order, the Purchasing Department will detach both of its copies and forward the remaining copies to the Hospital for processing and distribution. The Hospital will notify the Purchasing Department when Purchase Orders are voided.
7. Procedures - Rejection of Purchase Order. Purchase Orders for which funds are not available during an allotment period will be returned by the Comptroller's Office to the Purchasing Department. Purchasing personnel will notify the deficient department when these instances occur and also submit a monthly report concerning rejections to the Budget and Management Office.
8. Procedures - Confirmation Orders. One of the vital aspects of the new system is its emphasis on departmental responsibility for advance planning of its procurement needs. Consequently, there will be no more confirmation orders. Valid emergency orders will be processed as described below.

9. Procedures - Emergency Orders. Needless resort to emergency purchasing reflects poor operational planning and management, and defeats the purpose of an orderly centralized purchasing program. Emergency purchases are justifiable only when the need of materials, supplies or services could not have been reasonably foreseen and provided for in advance and, or is vital to sustaining a County operation or service. Prior to a purchase, a department may enter a request for an emergency purchase by submitting to the Purchasing Department, by telephone, a full explanation of the conditions requiring the emergency purchase. It will be the determination of the Purchasing Agent whether such a situation exists.
10. Procedures - Receiving/Expediting. Each department will be required to perform an independent inspection and count of each shipment as well as record it manually on the Final Receiving copy. It will be the responsibility of each department to initiate the expediting function for shipments that have not been received by contacting the appropriate Buyer in the Purchasing Department. Consequently, each department is responsible for putting meaningful "dates wanted" on their Requisition(s) and for being aware of them. The actual expediting function for delayed, damaged, or deficient shipments remains with the Purchasing Department.
11. Procedures - Ketona Shop Orders. The Requisition/Purchase Order has been eliminated from the Purchasing system. Open orders for Ketona Shop will be established and closed every four weeks in conjunction with the allotment periods. Purchases for a single order cannot exceed \$500 except for heavy duty and off-highway equipment which cannot exceed \$1500. At the end of each period Ketona Shop will close out each open Purchase Order by pulling each receiving ticket, recording the total on the Final Receiving copy of each of the open Purchase Orders, attaching the receipts, and submitting them to the Comptroller's Office for payment.
12. Legal Implementation. Any and all resolutions in conflict with this Resolution and Administrative Order are hereby repealed. Specifically, County Commission Resolutions dated March 22, 1938 (which established the Minutes List for all items costing more than \$150) and April 11, 1972 (which required Commission approval for all non-budgeted equipment items valued at \$100 or more) are hereby repealed and rescinded.

13. Petty Cash System. An effective petty cash system is essential to a well-functioning purchasing system. The prime reason for establishing a petty cash system is the reduction of processing time and cost. To achieve this purpose, the present petty cash system has been amended. The Treasurer's Office is now authorized to make refunds in amounts up to Fifty (\$50) Dollars per purchase providing that such purchases have been approved by the appropriate department head, who has confirmed that the purchase was for an authorized item and that budgeted funds are available.