



DOUGLAS COUNTY

OFFICE OF ADMINISTRATOR

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DOUGLAS COUNTY MISSION STATEMENT

The mission of Douglas County is to provide cost-effective services, with equal access to all citizens; to continue and enhance partnerships; to responsibly manage our resources and plan for the future.

DEPARTMENT MANAGERS MEETING

Tuesday, August 16, 2016

9:00 am

Room 270 Government Center

AGENDA

1. Welcome and Review of Agenda
2. County 2017 Budget Process
3. Procurement Policy Review
4. Health Insurance
5. Topics for Future Meetings
6. Other Business
7. Adjourn

PURCHASING POLICY

SECTION 1: GENERAL

PURPOSE

The purpose of this policy is to provide for a fair, accountable, and transparent public procurement system in Douglas County, Wisconsin implemented in compliance with Federal Law, State Statute, and County Board policy, maximizing efficiency with the use of public funds and establishing a consistent public purchasing process that meets high standards of integrity.

SCOPE

This policy applies to all Douglas County departments and all organizations for which Douglas County is the fiscal agency and where not superseded by State or Federal law, rule or regulation or other funding agreements or contractual provisions.

DEFINITIONS

For purposes of this policy, the following terms have the meanings given:

1. *Business* means a corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.
2. *Certificate of insurance* means a document issued by an insurer providing evidence that an insurance policy exists and including information such as insurer, insurance agency, insured, types of insurance, policy numbers, effective dates, limits, certificate holder, cancellation procedure, special provisions, e.g., additional insured, and the name of the representative authorizing the policy.
3. *Change order* means a written method of modifying a contract (purchase order) after it has been written by way of another purchase order.
5. *Contract* is written evidence of an agreement between two parties (e.g. the county and a vendor) to perform some act or service. A contract may cover a specific transaction or a series of transactions. A contract is legally enforceable on both parties.
6. *Invoice* means a document that itemizes charges for materials or services furnished upon which payment is due.
7. *A lease* means an agreement, whether oral or written, for transfer of possession of real property, or both real and personal property, for a definite period of time.
8. *Petty cash* means a fund in the form of currency or coin that is advanced by an organization unit from appropriated funds to an authorized employee.
9. *Procurement* means the entire span of acquisition from determination of need through final disposition, with purchasing one segment of this cycle.
10. *Procurement cards* are credit cards issued to purchasing agents to simplify the procurement of smaller items.
11. *Professional services* are unique, technical and/or infrequent functions performed by an independent contractor qualified by education, experience and/or technical ability to provide services of a specific project nature and predominately intellectual in character.
12. *Public works projects* are as defined in Wisconsin Statutes section 59.29 as amended from time to time.

13. *Purchase order* means a formal offer to buy.
14. *Purchasing agent* means that person entrusted by this policy to represent their department and authorized to initiate purchasing transactions.
15. *Quotation* means a vendor reply to inquiry, giving terms and conditions of sale, or an offer to sell.
16. *Responsible bidder* means a business that has the capability in all respects to perform fully the contract requirements, and the experience integrity, reliability, capacity, facilities, equipment, and credit which will a good faith performance.
17. *Responsive bidder* means a business who has submitted a bid, which conforms in all material respects to the requirements, set forth in the invitation for bids.
18. *Request for proposal* means an invitation presented for vendors to submit a proposal on a specific commodity or service.
19. *Request for quotation* means an invitation for vendors to submit a proposal when the specifications of a product or service are already known and when price is the main or only factor in selecting the successful bidder.
20. *Vendor* means a business with which the County has purchased or may purchase a good or service.
21. *W-9 form* means a document issued by the United States Internal Revenue Service (IRS) for certain tax purposes.

RESPONSIBILITIES

The following agencies have the responsibilities assigned them under this policy in addition to those assigned under other policies, State and Federal laws and regulations.

DEPARTMENT OF ADMINISTRATION

Except as otherwise provided in this policy, the purchasing policy must be implemented and administered by the County Administrator or his/her designee. In so doing, the Administrator or designee must:

- Oversee all bid specifications based on information furnished by the department for which the purchase is to be made, ensuring that the bid specifications fully describe the goods or services to be purchased and clearly differentiate the same from similar goods or services;
- Determine the form and required contents of all requests for proposal and requests for quotation;
- Ensure compliance with all written policies, administrative practices and procedures as adopted by the County Board;
- Ensure the maintenance of the fixed asset inventory;
- Periodically review and recommend modifications and changes to purchasing policies, administrative procedures and practices where necessary;
- Ensure departments have adequate funds available to undertake a requested purchase and, if not, modify or cancel the purchase to ensure budget compliance;
- Review and, as needed, amend the quality and quantity of goods or services requested or otherwise make substitutions;
- Ensure all bids are adequately publicized to inform local bidders; and
- Maintain oversight over department purchase requests as they relate to need, quality, price, and conformity with County standardization practices.

DEPARTMENT HEAD

It is the responsibility of the department head to:

- Ensure that there are funds budgeted to pay for purchases;
- Report to the County Administrator any purchasing deviations from line items budgeted;
- Document the receipt of all merchandise or services purchased;
- Prepare appropriate invoices for payment; and
- Properly record purchases made under the proper line item account code.

DEPARTMENTAL PURCHASING AGENT

It is the responsibility of the purchasing agent to:

- Ensure that all relevant Board policies, State and Federal laws are followed;
- Prepare all necessary documentation as required by this policy including requests for proposal and requests for quotation;
- Determine the method of purchasing that is the most appropriate;
- Conduct the purchasing process; and
- Preserve and transmit all required documentation to the department head.

ETHICAL STANDARDS:

DOUGLAS COUNTY employees must meet the highest standards of integrity in public procurement and failure to do so will be subject to disciplinary action. Accordingly:

- No county employee or official may solicit, demand, accept or agree to accept from any other person a gratuity in connection with any decision, approval, disapproval or recommendation of a purchase request.
- Purchases by the county for the personal use of an employee or official are prohibited even if reimbursement is made to the county for the cost of the purchase.
- Any employee who identifies a conflict of interest must disclose that conflict in writing to the purchasing agent and remove themselves from the procurement process.
- No employee may disclose confidential proprietary information from solicitations to other vendors or using that information for personal gain.

Any purchase made by an employee or county official that is contrary to these ethical provisions must in no way obligate the county for payment. Any such purchase will be considered a personal liability of the involved employee or official.

SECTION 2: CONSIDERATIONS IN PURCHASING

ENERGY CONSUMPTION

The DOUGLAS COUNTY Board of Supervisors recognizes the importance of energy conservation in cost control and in environmental protection. Accordingly, in purchasing capital equipment that has an

energy use of significance a department must request energy consumption data from all vendors in any request for proposals and may consider potential energy costs in determining the lowest bidder.

LOCAL PREFERENCE

The DOUGLAS COUNTY Board of Supervisors recognizes the importance of County purchases in supporting the local economy, and supports local purchases whenever possible within the constraints of State and Federal law. Departments must take into consideration the monetary value of the availability of local service and transportation costs in determining the lowest price and, further, if the difference in price between a local vendor and a vendor from outside DOUGLAS COUNTY is negligible, must award the bid to the local vendor, all else being equal and absent any legal restriction that would prevent this award.

CONTRACTING AUTHORITY

Only the County Board Chair or the County Administrator can legally bind the County to any total lease valued or contract valued at or above \$25,000 unless State law requires the signature of the County Treasurer or the County Clerk or any other party. Copies must be forwarded to the Department of Administration. The Health and Human Services Department may serve as a contracting authority for client services under \$25,000 annually, with any contract above that amount approved by the County Administrator.

PUBLIC WORKS PROJECTS

In accordance with Wisconsin Statutes 66.0901 and 59.52(29), public works contracts for construction, execution, repair, remodeling or improvement of a public work, building or for the furnishing of supplies or materials of any kind over \$25,000 must be competitively bid and must be awarded to the lowest responsible, responsive vendor without regard to the vendor's location. The Board shall give a class 1 notice before contracting with a person qualified as a bidder for public works contracts estimated to have a cost between \$5,000 and \$25,000.

Public Emergencies: The above requirements for public works are not mandatory for the repair or reconstruction of public facilities when damage or threatened damage thereto creates an emergency, as determined by resolution of the County Board, in which the public health or welfare of the County is endangered. A notice pursuant to Wisconsin Statutes 59.52(29) must be prepared as required and, in an emergency, the procedure followed as provided in this same section as in effect at any given time.

All highway department construction projects and equipment purchases of \$150,000 and greater require the approval of the County Board of Supervisors and compliance with federal aid requirements (see grant funded purchases below).

SECTION 3: CERTAIN PURCHASES, SPECIAL PROVISIONS

GRANT FUNDED PURCHASES

Unless specifically prohibited by the granting authority, grants must be administered through a written

contractual agreement between the County and the party providing the service. All purchases made with grant funds must comply with the terms and conditions of the grant and this policy. If the grant requirements conflict with this policy, the County Administrator may suspend those provisions of this policy only for the specific grant and for the duration of that grant. The department head is responsible to comply with purchases covered by grant funds.

Uniform Grant Guidance issued by the Federal Office of Management and Budget (OMB) outlined the following procurement standards for all dollars applied to federal grant programs:

A. Micro Purchases (Items less than \$3,000):

Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (§200.67 Micro-purchase). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.

B. Small Purchases (Items between \$3,000 and \$150,000):

Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

C. Large Purchases (Items greater than \$150,000):

Follow requirements under 1 (construction) or 2 (all other) below depending on applicability.

1. Sealed Bids for Construction Contracts: Note that a federally funded public works project shall follow the lower dollar threshold requirements of Wisconsin Statutes 66.0901 and 59.52(29) outlined in the public works projects section above. Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price.

In order for sealed bidding to be feasible, the following conditions should be present:

- (i) A complete, adequate, and realistic specification or purchase description is available;
- (ii) Two or more responsible bidders are willing and able to compete effectively for the business; and
- (iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

- (i) Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for state, local, and tribal governments, the invitation for bids must be publically advertised;
- (ii) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;

(iii) All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;

(iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(v) Any or all bids may be rejected if there is a sound documented reason.

2. Competitive Proposals for Other Contracts Greater than \$150,000: The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(i) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;

(ii) Proposals must be solicited from an adequate number of qualified sources;

(iii) The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;

(iv) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(v) The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

D. Noncompetitive Proposals:

Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

(1) The item is available only from a single source;

(2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

(3) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or

(4) After solicitation of a number of sources, competition is determined inadequate.

PROMOTIONAL ITEMS

Departments may purchase items of negligible value for educational or promotional purposes to be given to members of the public only at events generally open to the public or educational sessions. Such items must be clearly and permanently marked with the name of the County and the department or agency and funding for these purposes specifically identified in the annual budget.

COMPUTER PURCHASES

In addition to the approval by the Department of Administration, purchase or lease of computer hardware and software must be managed and authorized for procurement by the Department of Information Services. The Manager of Information Services will manage and procure all requisitions for computer hardware and software.

Technological compatibility must be a consideration in awarding any contracts for computer hardware and software.

PURCHASES OF LEGAL SERVICES

No purchasing agent may approve the purchase of legal services without the prior approval of the corporation counsel. The corporation counsel may establish a procedure for granting such approval.

END OF YEAR PURCHASES

Unless provided by other policy, State and Federal law, grant or other funding contract, all expenditures for capital assets must be made so that delivery of that asset occurs on or before December 31 in the year in which the purchase was authorized unless authorized by the county administrator or his/her designee.

HIGHWAY DEPARTMENT CONTRACTS

Pursuant to Wisconsin Statutes section 83.035 as in effect at any given time, the highway commissioner, with the approval of the DOUGLAS COUNTY Highway Committee, is authorized to execute contracts for the purpose of enabling the county to construct and maintain streets and highways in cities, villages and towns within the County, with a copy filed with each respective clerk. Maintenance includes the furnishing of any road supplies and equipment to these municipalities. The highway department may not undertake construction or maintenance for such municipalities in excess of the county aid authorized by the County Board.

All contracts executed with any municipality for such roadwork must provide that payment in full must be made to DOUGLAS COUNTY within 120 days of the completion of such roadwork. If a municipality fails to make payment in full within this time, the highway department may not undertake any further work of any type or furnish any road supplies or equipment for or to this municipality. Further, if a municipality fails to make payment in full within this time, any unpaid balance outstanding bears interest at the rate of 5% per annum until paid. Highway contracts entered into under the authority of this policy must follow the standard contract approval and route and process as established by County policies and procedures as well as conformity with State law.

INDEFINITE QUANTITY CONTRACTS

Notwithstanding any other provision of this policy, and as permissible under state and federal law, rules and regulations, the highway commissioner may enter into a contract to procure materials for construction, maintenance and repair of highways valid for a period not to exceed one year. For purposes of this section, an indefinite quantity contract means an agreement to procure these materials at a set rate per amount, with the total amount to be purchased estimated only. These contracts must competitively bid following the standard procurement procedure appropriate for the estimated dollar cost of materials to be purchased during that year.

PROHIBITED EXPENDITURES

Unless specifically authorized by the County Board of Supervisors, the following expenditures may not be made using County funds:

- Entertainment expenditures such as tickets for admission to public entertainment events, theaters, and similar;
- Alcoholic beverages and tobacco, except in conjunction with a compliance investigation;
- Retirement parties or similar events including awards and gifts unless authorized under an employee recognition policy;
- Charitable contributions made by County employees;
- Common courtesy expenditures such as flowers or cards for ill county employees or local officials; and
- Any travel or related expense for employee's spouse, other family members or for any acquaintances.

SECTION 4: STANDARD PROCUREMENT PROCEDURE

DETERMINATION OF NEED

A department head, or his/her designee, must initiate the procurement process through a determination of need, that the operation of that department requires the purchase of goods or services from an external vendor. If funds for that purpose have been appropriated in the annual budget, the department head or his/her designee may initiate this process by transmitting a request to the purchasing agent for that department or division. If funds for that purpose have not been appropriated, the procurement process may not be initiated until such time as funds are appropriated.

PROCEDURES FOR COMPETITIVE BIDS

Departments must use a bidding process in purchasing unless otherwise provided in this policy and even if not required are encouraged to do so. Awards must be made to the lowest responsible bidder. In determining the lowest bidder, the purchasing agent may consider cost of operation over the life of the item. When comparing bids or quotes, the following elements must be considered: price, conformity with original specifications, warranty, delivery date (if specified), and freight charges. Upon reviewing the bid results, the purchasing agent may elect to solicit additional bids. The Department of Administration will

be the agent of record on the purchase order; it is their responsibility to see that the requirement for competitive bidding has been met.

PURCHASES IN PROCESS

Except as permitted by the sole source purchase provisions of this policy, all purchasing agents must follow the procedures listed below based on the amount of the purchase. No purchase of a single good or commodity at the same general time may be divided into separate purchases to qualify for a lower threshold of approval, process or documentation.

ORDERS LESS THAN \$3,000

1. If a purchasing agent determines the expected cost of the purchase is less than \$3,000 and the goods or services are not offered on standard contracts, the purchasing agent may place the order directly with the vendor using his or her best judgment as the basis for vendor selection. The use of purchase orders is optional for orders less than \$3,000.
2. Once the order is accepted by the vendor and the delivery of goods and services takes place the purchasing agent completes a direct payment voucher attaching the appropriate invoice.
3. The purchasing agent must forward the approved direct payment voucher to the department of finance for processing.
4. The department of finance must, on submission of the appropriate documentation, pay the vendor of these goods or services.

ORDERS GREATER THAN OR EQUAL TO \$3,000 AND LESS THAN \$25,000.

1. The purchasing agent must obtain at least two informal bids, i.e. not necessarily in writing or obtained through a full request for proposal process. These bids may include current price lists or catalogs, recent price quotations on file (within 30 days), phone or verbal quotations solicited from vendors and written informal price bids (including faxes).
2. Once the department secures the lowest informal bid the purchase/order may be placed with the successful bidder. After the delivery of goods or services takes place the department completes a voucher for payment attaching the invoice, purchase order, and documentation of the informal bids.
3. The purchasing agent must forward the approved direct payment voucher to the department of administration for processing.
4. The department of administration must, on submission of the appropriate documentation, pay the vendor of these goods or services

ORDERS GREATER THAN OR EQUAL TO \$25,000 - COMPETATIVE PROPOSALS

1. The purchasing agent must forward specifications and requirements and bid documentation to the department of administration for approval, including justification for specification of a specific brand or model that may limit competition.
2. The finance manager or his/her designee must review the designation and approve the process, including specification of a specific brand or model.

3. On approval, the purchasing agent must issue a request for proposals, allowing two weeks for a response unless another time period is authorized by the finance manager and obtain three formal written bids or proposals.
4. If vendors submit bids for a product or service different from that specified, a determination must be made if the alternate item is an equal substitution. The vendor must provide sufficient product information for the user to evaluate the alternate item. If not awarding to the low bidder, justification for not accepting the low bid must be documented.
5. The purchasing agent must document at least three formal written bids or proposals, which may include faxed and emailed bids or proposals. The prices quoted must represent all costs including delivery and, if applicable, estimated energy usage over the life the equipment.
6. The department must execute a purchase order to the successful bidder. All purchasing documents are to be reviewed by the department of administration to ensure proper procedure was followed upon approval.
7. Following delivery of goods and services by the vendor and acceptance of goods or services by the designated department, the department must complete an electronic receipt of the goods and services.
8. On receipt of the invoice and completion of the electronic receipt, the department of administration must pay the vendor of these services or goods.

ORDERS GREATER THAN OR EQUAL TO \$ - SEALED BIDS

1. A department head must request authorization from the department of administration to proceed with the advertisement of bids, furnishing complete and detailed specifications on the item to be purchased including any specification of a particular brand or model that may limit competition.
2. A department head must develop a written request for proposals and submit to the department of administration for publication.
3. The finance manager or his/her designee must review the designation and approve the process, including specification of a specific brand or model.
4. On authorization, the department of administration must publicly advertise the bid on the County website.
5. All bids received must be sealed and received prior to the determined date of opening.
6. All bids received must be publicly opened, with the department head and/or purchasing agent and a representative of the department of administration present
7. If vendors submit bids for a product or service different from that specified, a determination must be made if the alternate item is an equal substitution. The vendor must provide sufficient product information for the user to evaluate the alternate item. If not awarding to the low bidder, justification for not accepting the low bid must be documented.
8. Decision on bid award is the responsibility of the purchasing agent. No award of any formal sealed bid results may be made without prior approval of the finance manager.

SOLE SOURCE PURCHASES

It is the expectation of the DOUGLAS COUNTY Board of Supervisors that all purchases will be made under full and open competition except as provided in this section. Justification for other than full and open competition may be:

ONLY ONE RESPONSIBLE SOURCE: The supplies or services required by the department or agency are available from only one responsible source and no other type of supplies or services will satisfy agency requirements. In the determination of only one responsible source, documentation must cite specific reasons for such exemption, such as compatibility with existing equipment, professional services that involve specific knowledge or familiarity with County activities not otherwise available, or that only one supplier exists to provide particular goods or services.

FUNDING SPECIFICATION: The source of the funding, e.g. granting agency specifies a single source for goods or services. Documentation requesting sole source purchases must include a copy of those provisions specifying this source.

UNUSUAL AND COMPELLING URGENCY: The department or agency's need for the supplies or services is of such an unusual and compelling urgency that the County would be seriously injured unless the agency is permitted to limit the number of sources from which it solicits bids or proposals. Solicitation from as many potential sources as is practicable under the circumstances is required. This urgency may also extend to delays in procurement through other vendors that would be unacceptable to the county. This authority will not be approved if it is determined that the urgency is due to a lack of advance planning by the department or agency.

Documentation for an emergency purchase must also include an explanation of the emergency, the financial or operational damage or risk of damage that will or may occur if needs are not satisfied immediately, why the needs were not or could not be anticipated so that goods or services could not have been purchased following standard procedures.

In all justifications made under this section, the requesting purchasing agent must list the reason and process used for selecting the vendor and documentation supporting the cost in the absence of directly comparable market data.

INVOICES

An invoice must be itemized and the original provided the finance department before any payment may be authorized. An invoice must contain:

- Purchase order number, if used;
- Itemized list of merchandise shipped;
- Prices, terms, date, quantities and all other pertinent information about the purchase; and
- All charges for delivery, freight listed separately from the merchandise.

Payments requests sent to the department of finance must be accompanied by the original invoice, including any supporting documentation. No payment may be made on pro forma Invoices. All invoices must be made out to DOUGLAS COUNTY with the goods and services shipped to DOUGLAS COUNTY.

CHANGE ORDER

A written change order may be issued only by the department head with the approval of the finance manager. Changes made by others in the purchasing process once an initial purchase order has been approved are considered invalid and their issuance subject to disciplinary action.

PREPAYMENTS

No goods or services may be purchased using prepayments (excluding employee travel expenses), or payment before receipt, without the written authorization of the county administrator or his/her designee.

SECTION 5: OTHER PURCHASING PROCESSES

STATE CONTRACT

If so, determined by the department head, the purchasing agent may use existing contracts bid by the State of Wisconsin and bypass the competitive bidding process outlined in this policy for purchases of less than \$15,000. Purchases greater than \$15,000 require prior approval by the county administrator. For purposes of this policy, any purchase made from the State of Wisconsin cooperative purchase contract constitutes compliance with any competitive bidding requirements. Further, the State contract amount may be used as price comparisons for the purpose of the competitive bidding requirements for identical items.

COOPERATIVE PURCHASING

Departments may participate with a network of other governmental agencies for cooperative purchasing up to \$15,000 which will meet the competitive bidding requirements.

STANDARD CONTRACTS

Notwithstanding other provisions of this policy, if the finance manager has standardized the purchasing of a good or service and has issued standard purchase orders or contracts for these goods or services, such goods or services must be purchased from these vendors.

PETTY CASH

The finance manager must approve any petty cash fund. Any cash fund must be reconciled on a monthly basis, and no cash fund may have a balance greater than \$300 without formal approval of the administration committee. Purchases through the use of petty cash must comply with all other requirements of this policy.

INTERNET PURCHASING

Purchasing agents may purchase via the Internet only with procurement cards and only if it can be determined that identical items at the same price cannot be purchased elsewhere. Purchases via the Internet must comply with all other requirements of this policy.

AUCTIONS

Purchasing agents may purchase goods at auction only if the vendor offers protection against purchasing defective or erroneously described merchandise, or prior inspection of merchandise, and that the vendor allows for refunds, if necessary, after a physical inspection of the goods received.

Any such purchase must have prior approval by the finance manager, and is subject to the sole source documentation requirement as well as all other required documentation. In addition, the request for approval must be accompanied by an explanation of why it is in the county's best interest to purchase the item through an auction.

PURCHASES FROM COUNTY EMPLOYEES AND OFFICIALS

Provided all other provisions of this policy requirement are met, any single public official or county employee may enter into contract with or sell to DOUGLAS COUNTY in which they have a private interest in and that it does not exceed an aggregated amount of \$15,000 per year (see Wisconsin Statutes 946.13). In addition, all such purchases must be made with full disclosure, meaning discussion at a meeting of the administration committee prior to the purchase.

LEASE AGREEMENTS

All lease agreements must follow purchasing policy unless approved by the finance manager and, for leases over \$15,000 annually must be reviewed by the County Administrator.

SALES TAX EXEMPTION

As DOUGLAS COUNTY is exempt from Wisconsin State sales tax; employees must provide sales tax exemption information to any hotels, car rental company and similar when traveling on county business.

SECTION 6: MISCELLANEOUS PROVISIONS

DISPOSAL OF EXCESS SUPPLIES OR OBSOLETE EQUIPMENT

Supplies or equipment no longer serving a useful purpose must be reported to the Director of Buildings. For items of other than negligible value, the Director of Buildings must dispose of the supplies or equipment by transferring the material to a department which may need similar supplies or equipment, by competitive sealed bidding, by public auction, or in such a manner considered to be in the best interest of the County. County owned supplies or equipment must not be sold to County employees except by public auction or through public, competitive bidding.

CERTIFICATE OF INSURANCE

A certificate of insurance is required by the County when contracts with a vendor for materials, equipment, construction, remodeling, supplies, or services, that vendor's activities and the goods provided create an inherent liability risk to the County. The contractor must add "County of DOUGLAS COUNTY, its officers, employees, and agents" as an additional insured under the commercial general, automobile and contractor's pollution liability and workers' compensation policies.

Certificates are required for contracted service vendors and require receipt of the certificate and continued renewal of the certificate while the contract exists. Internal audit must periodically sample the service contracts to ensure compliance.

W-9 FORM

Vendors doing business with the County must provide a signed form W-9 to the department of administration before payment will be authorized.

LAW ENFORCEMENT MEAL PURCHASES

Notwithstanding any policy to the contrary, the sheriff or his/her designee may authorize the purchase of meals for law enforcement employees or volunteers at an accident or crime scene, natural disaster, search and rescue operation or a cooperative event with another law enforcement department where the required time commitment spans a traditional meal time and it is impractical to provide an adequate meal break. The maximum amount per meal may not exceed the maximum amount stated in the relevant travel policy.

