



Georgia Mutual Aid Group

Purchasing

Policy and Procedures

Manual

First Edition

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Article I – General Information

SECTION I – MISSION STATEMENT.

The mission of the Georgia Mutual Aid Group (GMAG) Purchasing Department is to establish a Purchasing Department to purchase materials, services and term contracts whereby all members may use these materials, services and contracts that are mutual to all our members' needs. These contracts will be established to give the best value for the tax dollar, while maintaining the highest ethical standards. The goal of the Purchasing Department will be to purchase at the right quality, in the right quantity, at the right time, to the right place, from the right source, with the right service at the right price

SECTION II --AUTHORITY OF THE PURCHASING DEPARTMENT

The Board of Directors of the Georgia Mutual Aid Group (GMAG) gives the Purchasing Agent(s) of the Purchasing Department the authority to act as their agent, under the supervision of the Executive Board, in carrying out the duties set forth in this purchasing policy and procedure manual and to obtain bids for materials and/or services and issue purchase orders. All bids for services and bids for materials over \$10,000.00 will be sent to Board of Directors for approval unless they are part of a previously approved grant program. Previously approved grant program items may be approved by the Executive Board before a purchase order or contract is issued. Furthermore, after bids are approved, the Purchasing Department is authorized to issue purchase orders or contracts and approve invoices for payment. All policies and procedures in the manual and all awards made by the Board of Directors will comply with the Official Code of Georgia.

SECTION III -- PURCHASING LAWS, RULES AND REGULATIONS

Laws concerning the Georgia Mutual Aid Group (GMAG) and the procurement process in general may be found in the Official Code of Georgia Annotated, Title 50, Chapter 5, Article 3, and the Uniform Commercial Code. Rules and regulations interpreting the purchasing laws and detailing policies and procedures are set forth in this manual.

SECTION IV -- OPEN RECORDS

The records of the Georgia Mutual Aid Group (GMAG) Purchasing Department are open and accessible to the public in accordance with the provisions of the Georgia Open Records Acts. Requests for inspection of records must be reasonable and must contain sufficient information to facilitate retrieval and must not interfere with the orderly operation of the department.

SECTION V -- VISITS BY SALES OR OTHER VENDOR REPRESENTATIVES

The Purchasing Department encourages visits by sales representatives to members of its staff for the purpose of imparting specialized current information concerning their products. Sales representatives are requested to make appointments in advance.

ARTICLE II PURCHASES IN GENERAL

SECTION I - TYPE OF PURCHASES

Three separate purchasing techniques are to be utilized by the Purchasing Department. The first technique is the one-time, open market purchase. This can be used for most of the purchasing methods listed in another article. This is a one-time purchase for materials and/or services for a fixed price and delivery date, using an established specification to describe the quality level required.

The second technique is the term contract purchase. Term contracts are contracts to supply the requirements for one or more agencies for various materials and/or services for an extended period of time, generally one year. In most cases, only estimates of quantities required can be supplied. When quoting on term contracts, the vendor is required to supply prices and firm delivery dates, stated in days after receipt of order.

The third technique is the vendor input in purchases. This is used when the end user does not have the expertise to write a specialized specification and requests vendors to state how best to furnish materials and/or services to meet a job requirement. The technique can be quite lengthy and require input and participation from both the Purchasing Departments and user departments.

SECTION II - DELEGATED AUTHORITY

When term contracts are established, the Purchasing Department is authorized to send these contracts to all agencies for their use. Respective agencies will be responsible for issuing purchase orders, checking delivery receipts and paying invoices. The Purchasing Department will only be involved if the vendor fails to meet the terms and conditions of the term contract.

ARTICLE III METHODS OF PURCHASE

SECTION I - SMALL VALUE PURCHASES

Acquisitions involving expenditures of \$500.00 or less may be made without competitive bidding. When possible, however, more than one quote will be obtained.

SECTION II - EMERGENCY PURCHASES

If an immediate procurement is essential to protect the life or health of citizens, a purchase order can be issued immediately. The department head or other authorized official of a member agency must send or FAX a letter stating the emergency and requesting immediate procurement. Authorized officials must be identified by name on a letter signed by the department head, and this letter must be on file with GMAG.

SECTION III --SOLE SOURCE

A contract may be awarded without competitive bidding when the Purchasing Officer determines in writing, after conducting a thorough review of available sources, that there is only one source for the required materials and/or services. The Purchasing Officer will conduct negotiations as to price, delivery and terms. A record of all sole source procurement will be maintained in the Purchasing Department.

SECTION IV -- INFORMAL BIDS

Informal bids are solicitations for materials and/or services estimated to be \$5000 or less. These bids are Telephone, FAX, or a Request for Quotation (RFQ).

SECTION V-- FORMAL BIDS

Formal bids are solicitations for materials and/or services estimated to exceed \$5000. Invitation for Bid (IFB) is used when precise specifications have been developed. Request for Proposal (RFP) is used when precise specifications cannot be developed.

ARTICLE IV -- THE BIDDING PROCESS

SECTION I-- REQUISITION

The purchasing process begins when the user agency has a need for materials and/or services. A requisition is prepared by the user agency and sent to the Purchasing Department. Requisitions will list materials and/or services requested, quantities, estimated cost, specifications, vendors, if known, date needed and signed. Requisitions should be submitted in a timely manner to allow purchasing ample time to obtain bids and allow for delivery. The Purchasing Department reviews and determines purchasing method and also determines if a material or service is on term contract or can be obtained from other agencies.

SECTION II-COMPETITIVE BIDDING

INFORMAL BID- If the dollar amount is less than \$5000, purchasing will use one of the following three methods:

Telephone Bid- Is used only when an emergency situation cannot be justified but is imperative materials are received at once. It is never used to obtain services. At least three phone bids are preferred, if possible. All information on phone bid sheet must be obtained. Award is made to the lowest responsive and responsible bidder.

Fax or E Mail Bid- Is used when time is very important. Should be sent to as many qualified vendors as possible. Allow three (3) days from date of the fax to the date of bid opening. The award is made to the lowest responsive and responsible bidder.

REQUEST FOR QUOTATION- (Preferred method) Quotation bid sheets are prepared and mailed to as many qualified Vendors as possible. Normally at least ten (10) days should be allowed from date of mailing until bid opening date. Bids are to remain sealed until the date and time of bid opening. The award is made to the lowest responsive and responsible bidder.

FORMAL BID- If dollar value is more than \$5000, an invitation for bid is prepared. These shall be mailed to all known qualified Vendors and can be advertised in newspaper or on GMAG's website: www.gmag.org. Normally fourteen (14) days should be allowed from date of mailing until bid opening date. The award is made to the lowest responsive and responsible bidder.

REQUEST FOR PROPOSAL- An invitation to submit a proposal to provide materials and/or services generally is used when a precise specification cannot be developed. Vendors are requested to submit proposals to solve a problem or provide a service. This method of solicitation will only be used after it is determined that an invitation to bid cannot be used. Adequate public notice will be given as in an invitation to bid.

SECTION III-VENDOR AMENDMENT OR WITHDRAWAL OF A BID

A bid may be amended or withdrawn prior to opening date and hour. After the bid opening a bid may be withdrawn when it is in the best interest of GMAG. A letter from the vendor stating the reason(s) for withdrawal must be placed in the bid package.

SECTION IV-GMAG AMENDING OR CANCELING A BID

GMAG may cancel a bid anytime prior to the bid opening date. A bid may be amended providing a notice of amendment is sent to all bidders prior to the opening date. If circumstances should dictate, the opening date should be extended to give vendors ample time to complete and deliver the amended bid.

SECTION V-LATE BID

Bids must be received by the Purchasing Department on or before the date and hour designated for the bid opening. Under no conditions will late bids be accepted or considered.

SECTION VI-CONFIDENTIALITY OF BIDS

All bids, whether sealed or unsealed, are confidential and will not be disclosed to the public or any user agency until after the bid closing date and time. All bids will be open to public inspection after a purchase order or contract is issued.

SECTION VII-PRE-BID CONFERENCE

In some instances a pre-bid conference may be required to inspect services required and obtain vendor input on the best method to accomplish requirements. A vendor must be present at the pre-bid conference in order to bid on the project. Any changes in a bid document will be sent to all vendors present and if circumstances dictate, a new bid opening date will be established.

SECTION VIII-SPECIFICATIONS

Detailed specification may not always accompany a bid. In some cases, reference will be made to certain standard specifications. In other cases, reference may be made to one or more brand names; such reference is not restrictive, unless specified, and is used for descriptive purposes only. A technical data sheet will accompany any specification that lists brand names or approved substitutes. The Purchasing Department will, in its sole discretion, determine whether a substitute offer is equivalent to the product or products specified. When required, a sample must be furnished. Samples furnished will be returned upon bidder request, at bidders' expense, unless consumed in examination or testing.

ARTICLE V - EVALUATION OF COMPETITIVE SEALED BIDS AND AWARD

SECTION I – RECEIPT AND OPENING OF BIDS.

Bids must be sealed and received at the location prior to the date and time of bid opening specified in the request for bids. Sealed bids that are received will be secured by designated agent(s) at a location and in a manner specified by the Executive Board until the time of the bid opening. Sealed bids that are received will be opened at or shortly after the date and time specified in the request for bids. Bids will

normally be opened at GMAG Headquarters, but may be opened at some other location approved by the Executive Board. At least two representatives of GMAG, preferably including the Purchasing Agent(s) and Executive Director, will be present at the bid opening to sign and witness the proceeding summary. The bid opening proceeding summary will include a list of the names, addresses and contacts of vendors who submitted bids, the total of each submitted bid, and the names and affiliations of all persons present at the bid opening.

SECTION II-REJECTION OF BIDS

GMAG reserves the right to reject any and all bids submitted in response to any Request for Quotation or Invitation to Bid.

SECTION III-RESPONSIVE AND RESPONSIBLE BIDDERS

Responsive bidder will mean a bidder who has submitted a bid that meets all the requirements to be considered in the award process.

Responsible bidder will mean a bidder who has the capability in all respects, to perform fully the contract requirements and the moral and business integrity and reliability that will assure good faith performance.

SECTION IV-BID SIGNATURE

In order to be considered, a bid must be signed and submitted before the bid opening deadline.

SECTION V-SPLIT AWARDS

Where more than one item is specified in a bid, GMAG reserves the right to make split awards to each of the bidders who have the lowest price. Ordinarily, split awards will not be made unless the saving is at least \$100.

SECTION VI-TIE BIDS

A tie bid exists when two or more bidders offer, at identical prices, materials and/or services that meet all specifications, terms, and conditions. If it can be determined that one bidder meets the following: Made in Georgia---- the award will be made to this bidder: Otherwise there will be a flip of a coin with both bidders present if possible.

SECTION VII- PRICE ADJUSTMENTS ON TERM CONTRACTS

In some instances a firm fixed price of a material or service cannot be established for a long-term contract (usually one year). In this case, an escalating clause is included in bid allowing bidder to raise or lower the price according to market price adjustments. (Example: motor fuels). The award is made to the lowest bidder at bid opening, but the bidder must furnish price sheets weekly to purchasing for review.

SECTION VIII-ALL OR NONE BID

If a bidder writes on a bid document that the bid cannot be split, it will not be considered unless the total bid price is less than any other total bid price received.

SECTION IX-AWARD TO LOWEST RESPONSIVE AND RESPONSIBLE BIDDER

After all the sections in this article have been evaluated, the award is made to the lowest responsive and responsible bidder.

ARTICLE VI -- EVALUATION OF COMPETITIVE SEALED PROPOSALS AND AWARD

SECTION I-RECEIPT AND OPENING OF PROPOSALS

Competitive Sealed Proposals will be received and secured in the same manner as Competitive Bids. At the bid opening only the bidders names and the total amount of each bid will be revealed. The contents of proposals submitted in response to a Request for Proposals will not be made public until after the award.

SECTION II-EVALUATION CRITERIA

The mandatory evaluation criteria, point rated criteria, or a combination of both will be used to determine the award. The type of criteria to be used will be stated in the bid document. The Executive Director will recommend and the Executive Board will approve an evaluation team prior to each proposal being mailed. The Evaluation team will review all qualified bids received and opened at the bid opening, and will provide a recommendation for bid award with sufficient information to explain the basis of their recommendation. The Executive Board will consider each purchase recommendation, obtain additional information as needed, and render approval or disapproval decisions for items that are part of a previously approved grant program, and for recommendations for material(s) for which the cost does not exceed \$10,000.00. The Executive Board will obtain approval from the Board of Directors for all other purchase recommendations.

ARTICLE VII COMPLETION OF CONTRACT

SECTION I-PURCHASE ORDER OR CONTRACT

After the award, a Purchase Order or Contract will be issued. A copy of the Purchase Order will be mailed to the vendor. When a Contract is issued, the contract document is prepared, assigned a number, signed by Purchasing Officer and two copies are mailed to the vendor. Vendor signs copies and returns one copy to the Purchasing Department. A copy of the contract along with a copy of the vendor's bid document is sent to all users that may have need of the materials or services on the contract. Users are responsible for issuing Purchase Orders for the materials and/or services on the contract when needed.

SECTION II-RECEIVING AND PAYMENT

GMAG will be responsible for receiving and processing invoices for payment covering all materials and/or services for which a GMAG purchase order was issued. All material received must be checked thoroughly to insure that the quality meets the specification listed on the purchase order and the quantity match the delivery ticket and the purchase order. If all items on the purchase order are received and meet specifications, the purchase order and a copy of the delivery ticket will be sent to an agency that pays the invoices. The GMAG Purchasing Department will not receive any invoices or be authorized to write any checks for payment. If back orders occur, a copy of the purchase order marked with items received and a copy of the delivery ticket will be sent to the agency that pays bills for a partial payment. The Purchasing Department will

have a back order file consisting of the original purchase order and a copy of a partial order delivery ticket. The original purchase order will remain in the Purchasing Department until shipment is complete.

Anyone using term contracts will use the rules, regulation, or ordinances set forth in their entirety. GMAG will only be responsible for the bidding and issuing of contracts and will not be responsible in any way in the issuing of purchase orders or paying invoices. If the Vendor fails to perform as the specifications or scope of work on the bid requires GMAG will assist in requiring the Vendor to perform or cancel the contract.

ARTICLE VIII --ETHICS

SECTION I - ETHICS IN GENERAL

GMAG subscribes to the State Code of Ethics for Governmental Service. The provisions relevant to the relationship between GMAG personnel and Vendors are as follows:

All persons in government service should:

1. Uphold the Constitution, laws, and regulations of the United States and the State of Georgia, and of all governments therein and should never be a party to their evasion.
2. Never discriminate unfairly by dispensing of special favors or privileges to anyone, whether for remuneration or not. Never accept for themselves or their family favors or benefits under circumstances which might be construed by responsible persons as influencing the performance of their government duties.
3. Make no private promises of any kind binding upon the duties of office, since a government employee has no private word that can be binding on public duty.
4. Engage in no business with the government either directly or indirectly that is inconsistent with the conscientious performance of their governmental duties.
5. Never use any information divulged to them confidentially in the performance of governmental duties as a means for making private profit.
6. Expose corruption whenever discovered.

SECTION II-CODE OF ETHICS

A good code of ethics for any purchasing department:

1. Seeks or accepts a position as head or employee when fully in accord with the professional principles applicable and when confident of possessing the qualifications to serve under those principles to the advantage of the employing organization.
2. Believes in the dignity and worth of the services rendered by the organization and the social responsibilities assumed as a trusted public servant
3. Is governed by the highest ideals of honor and integrity in all public and personal relationships in order to merit the respect of the organization and the public served.
4. Believes that personal profit obtained through misuse of public or personal relationships are dishonest and is not tolerable.

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5. Believes that staff members should at no time or under circumstances, accept gifts, gratuities or anything of value from suppliers and vendors.

6. Keeps the government organization informed, through appropriate channels of problems and progress of applicable operations, but personally remains in the background by emphasizing the importance of facts

7. Resist encroachment on control of personnel in order to preserve integrity. Handles all personnel matters on a merit basis, and political, religious, racial, gender, or age considerations carry no weight in personnel administration. Handle problems objectively and with justice.