

ELBERT COUNTY FINANCE POLICIES



**Adopted by the Elbert County Board of County Commissioners
Effective July 1, 2020**

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Section 1 – Definitions

1:1 Definitions

1. Bid Package – Documentation prepared and distributed by the County in the solicitation of bids.
2. Board of County Commissioners – The governing body of the County.
3. Business – Any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture or other private legal entity.
4. Capital Assets – County-owned goods having a value in excess of \$5,000 and a life expectancy in excess of one (1) year, which may include machinery, vehicles, tools, road maintenance equipment, computers, furniture and fixtures, and like items.
5. Capital Improvement – A fixed public improvement, including, but not limited to: streets, alleys, sidewalks, County facilities, bridges, parks, public structures, and landscaping.
6. Change Order – A written order signed by the County Manager or designee, directing the contractor to make changes, or changing non-contractual information on the County’s purchasing system (i.e., account number, budgeted amount, etc.)
7. Confidential Information – Any information which is available to an employee only because of their status as an employee of the County and is not a matter of public knowledge or available to the public on request.
8. Construction – The process of building, altering, repairing, improving, or demolishing any public structure or building, or other public improvements of any kind to any public real property.
9. Contract – All types of County agreements, regardless of what they may be called, for the procurement or disposal of supplies, services, or construction. The term shall not include any interest in real property by the County or another governmental body.
10. Contract Amendment – Any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual action of the parties to the contract.
11. Cooperative Purchasing – Procurement conducted by, or on behalf of, more than one (1) governmental body.
12. County – Elbert County, Colorado, a statutory county with a primary business location of 215 Comanche St., Kiowa, CO 80117 and a mailing address of P.O. Box 7, Kiowa, CO 80117.
13. County Manager – The Chief Executive Officer of the County; the person who is responsible for the acquisition of commonly used goods and services or assisting in the preparation of bid invitations, the analysis of bids, and the award of contracts. This person is duly authorized to enter into and administer contracts and make written determinations with respect thereto.
14. County Representative – A duly authorized representative of a person holding a superior position.
15. Debarment – A shutting out or exclusion for cause of a bidder from a list of qualified prospective bidders for a certain time period. Interchangeable with “suspension”. Visit <http://www.sam.gov> for a current list. Each contractor should be checked

against the list; mandatory if using federal funds and good practice for all other funds.

16. Director – Any person appointed as the head of a County department or acting in the capacity of a Director.
17. Elected Official – Any person elected as the head of a County office or acting in the capacity of an Elected Official.
18. Financial Interest – Any interest in the business by means of a loan or other evidence of indebtedness, in excess of 10% of said business's outstanding indebtedness.
19. Fiscal Impact – Any requirement, either a specific condition of a grant or a secondary necessity to administer a grant, that requires the County to contribute financially or in-kind to the grant funded project. A grant that provides for a grant funded position has a Fiscal Impact.
20. Governmental Body – Any department, division, commission, council, board, bureau, committee, institution, legislative body, agency, government corporation, or other establishment of this County.
21. Immediate family – A spouse, parent, child, domestic partner, or sibling.
22. Intergovernmental Agreement – Any agreement that involves or is made between two or more governments in cooperation to solve problems of mutual concern. Intergovernmental agreements can be made between or among a broad range of governmental or quasi-governmental entities.
23. Invitation to Bid (ITB) – A process used to acquire supplies and services that involves the review of written bids. This process may also include the use of a Request for Information (RFI) as a preliminary step to the ITB process in an attempt to gather information and pre-qualify prospective bidders.
24. Local Preference – An advantage in consideration for award of a project granted to a bidder by reason of bidder's residence, place of business or origin of product offered. However, purchases using federal funds will not be allowed to offer local preference.
25. Local Vendor – A business having a permanent physical location within the County limits of Elbert County. A vendor is considered local if it has maintained a place of business in Elbert County for at least twelve (12) months prior to date of bid solicitation.
26. Managerial Contingency – The difference between total project budget and award of bid as approved by the County Manager. Managerial Contingency must be approved by the County Manager at the time the bid is awarded. Adequate funds must be available and are to be encumbered as managerial contingency on the Purchase Order.
27. Memorandum of Understanding (MOU) – A document that expresses mutual accord on an issue between two or more parties.
28. Non-Capital Purchases – Services, supplies and non-tangible property with a value of less than \$5,000 or a useful life of one (1) year.
29. Owned in part – Having an ownership interest of more than 10% of the business.
30. Payment Voucher – The form used to request a check payment for services or goods a vendor provided.
31. Person – Any business, individual, union, committee, club, other organization, or

group of individuals.

32. Procurement – The process through which the County acquires goods and services for its own use.
33. Professional Services – Services of a specialized nature, including, but not limited to: architecture, engineering, legal, accounting, hiring screening process (drug testing, psychological testing, for example), equipment repair and maintenance.
34. Protected Personally Identifiable Information (PII) – An individual’s first name or first initial and last name in combination with any one or more types of information, including, but not limited to, social security number, passport number, credit card numbers, clearances, bank numbers, biometrics information, date and place of birth, mother’s maiden name, individual’s maiden name, criminal, medical and financial records, and educational transcripts. This does not include PII that is required by law to be disclosed
35. Purchase Description – The words used in a solicitation to describe the supplies, services, or construction to be purchased, and includes specification attached to, or made part of the solicitation.
36. Purchase Order – A request to purchase goods or services, typically provided to the vendor as a confirmation of the County’s commitment to purchase. Acts as a contract to formalize a purchase transaction.
37. Purchasing – The process through which solicitations are issued, advertisements and legal notices run, vendors selected and goods or services received.
38. Regulation – A governmental body’s statement, having general or particular applicability and future effect, designed to implement, interpret, or prescribe law or policy, or describing organization, procedure, or practice requirements.
39. Request for Proposals (RFP) – A process used to acquire supplies and services that involves the review of written proposals and the use of negotiations with the most qualified bidder(s). This process may also include the use of a Request for Information (RFI) as a preliminary step to the RFP process in an attempt to gather information and prequalify prospective bidders.
40. Responsible Bidder – A person who has the capability in all respects to perform fully the contract requirements including, but not limited to, experience, integrity, reliability, capacity, facilities, equipment and credit that will ensure good faith performance.
41. Responsive Bidder – A person who has submitted a bid or proposal that conforms in all material respects to the invitation for bids and request for proposal.
42. Services – The furnishing of labor, time, or effort by a contractor not involving the delivery of a specific end product other than reports which are merely incidental to the required performance, or repairs to an existing product.
43. Specification – Any description of the physical or functional characteristics, or the nature of a supply, service, or construction item. It may include a description of any requirement for inspection, testing, or preparing a supply, service, or construction item for delivery.
44. Supplies – Tangible property that is typically used or consumed within a year. Examples include: pens, paper, staples, fertilizer, chemicals, repair parts, etc. and is less than \$5,000.
45. Tangible Property – Personal property and materials, including without limitation

supplies, equipment, parts, printing and consumable supplies, but not including insurance, real property leases, securities, or water rights.

46. Vendor – Any person having or soliciting a contract, professional service agreement, purchase order arrangement or any other agreement to provide goods or services with a governmental body. Interchangeable with “contractor” or “supplier.”

Section 2 – Procurement

2:1 Public Procurement

- A. Public Procurement is the process through which a government acquires goods and services. The terms “Procurement” and “Purchasing” are often used interchangeably. However, “Purchasing” is only one of three stages of the procurement cycle:
 - 1. Planning, budgeting and scheduling: Planning is necessary to consolidate purchases to achieve economies of scale. Good planning ensures that goods and services are delivered timely to meet operational needs.
 - 2. Source selection (purchasing): The process through which solicitations are issued, advertisements and legal notices run, vendors selected, contracts awarded and goods or services received.
 - 3. Contract administration: Ensuring that the terms of the purchase agreement or contract are enforced, goods and services are delivered satisfactorily, and invoices are paid in a timely manner.
- B. Since procurement activities result in legal contracts between the County and the vendor, every procurement action is a legal action. Public procurement activities are governed by common and case law, by the Uniform Commercial Code (UCC), and by other state and federal laws. Thus, persons making procurement decisions are subject to legal constraints and exposure well beyond what other County officials may routinely experience.
- C. County purchases shall be made in accordance with this Procurement Policy. Any agreement made contrary to these policies may not be binding on the County and the person making the purchase may be held personally liable.

2:2 County Procurement Goals

- A. Elbert County Government consists of various operating departments and funds, all of which must purchase materials and equipment to provide services. The departments and funds must operate within the financial constraints of the current year’s budget, as adopted by the Board of County Commissioners. The costs of purchases are charged against the responsible department’s budget accounts; exceeding the expenditures budget is illegal under Colorado State Statutes.
- B. This Procurement Policy is intended to ensure adequate and uniform control of Elbert County’s procurement activities. Guidance and principles incorporated into this policy are in accordance with Generally Accepted Accounting Principles (GAAP) and applicable Colorado State Revised Statutes.
- C. Information in this policy will be reviewed periodically and updated as necessary.

2:3 Goals and Objectives

- A. The objective of this Procurement Policy is to provide guidance to operating departments within the County to legally, accurately, and timely perform the procurement of goods and services. Therefore, the goals of this policy are to:
 - 1. Establish a streamlined process to keep pace with new technology and procedures.
 - 2. Establish adequate controls that support process efficiency and effectiveness.
 - 3. Establish a consistent process for bids and contracts.
 - 4. Minimize paperwork.
 - 5. Maximize the value of taxpayer dollars.
 - 6. Establish guidelines for processes associated with the Finance Department.
 - 7. Promote transparency through best-practice finance methodology.
- B. In addition, this policy is meant to provide responsible vendors and bidders a fair and equal opportunity to compete for County business. The integrity of the procurement process strengthens and maintains the public's confidence in the County's procurement activities.

2:4 Best Value

- A. It is the responsibility of the County's Elected Officials and County Manager to ensure the County receives the best value. "Best value" is defined as the lowest overall cost based on the following factors:
 - 1. Life cycle or total cost, which may include initial cost, operating cost over the item's life at present value, maintenance cost over the item's life at present value, and trade-in or salvage value at present value.
 - 2. Energy efficiency/economy performance
 - 3. Warranties
 - 4. Price vs. performance: This concept ensures that a product is not chosen simply on the basis of price when the lower price product does not contain performance factors necessary to complete the task.
 - 5. Discounts
 - 6. Fleet/equipment standardization: Due to training, product availability (i.e. replacement parts or supplies), down time costs, maintenance costs or ease of operations it may be in the best interest of the County to standardize fleet or equipment.
 - 7. Local vendors
 - 8. Mechanical factors such as quietness or cleanliness of operation
 - 9. Availability of supplies or parts
 - 10. Shipping date
 - 11. Environmental factors such as energy efficiency or recycled product
 - 12. Other factors relevant to a particular County need

2:5 Procurement Relations with Other County Departments

- A. Finance Department staff shall familiarize themselves with the particular requirements of other County departments, and shall incorporate suggestions

or comments as appropriate. Whenever it is practical to do so, supplies and services shall be purchased through price agreements and bulk ordering contracts that involve quantity discounts, fewer procurement transactions and less paperwork.

- B. Each Director or Elected Official shall work with the County Manager to estimate future needs for price agreements and contracts. It is the responsibility of the Director, Elected Official, or duly authorized County Representative to ensure that all purchases are within their department's adopted budget limit.
- C. Vendor invoices must be submitted to Accounts Payable within three (3) business days of receipt. In many cases, receipt and payment of invoices is required prior to the County's ability to receive reimbursement of funds from a granting agency or other cost-share organization. Failure to submit invoices within the three (3) business day time period may result in delays.

2:6 Restrictions

- A. No personal purchases may be made using County funds. Purchasing direction provided within this policy may be utilized only in the interest of the County.
- B. Only County employees and with supervisor's written authorization may make purchases using County funds.
- C. Purchases must be charged to the proper account, regardless of budget availability in that particular line item.
- D. For purchases under \$2,000, when similar products or reasonable alternatives are readily available from local merchants who are in compliance with all County's regulations, the purchase shall be made from the local vendor.
- E. Alcohol may not be purchased with County funds, except in specific situations within the Sheriff's Office (for example, for liquor investigations, DUI training, or undercover operations.)
- F. Sales tax should not be charged on purchases. The County's tax-exempt numbers should be given to the vendor before the sale is completed.
- G. No multi-year financing obligations may be entered into without review by the County Attorney and concurrence of the County Manager. Multi-year financing obligations are subject to annual appropriations.
- H. New vendors must provide a completed W-9 form to Accounts Payable. This will be kept on file in the Finance Department. The department engaging a new vendor is responsible for supplying the Finance Department with the completed W-9 before a payment voucher will be processed.

2:7 Cooperative Purchasing

The County Manager shall have authority to join with other governmental bodies, to the extent authorized by State Statute including but not limited to the State of Colorado and the Multiple Assembly of Procurement Officials (MAPO), in cooperative purchasing that is in the best interest of this County, notwithstanding any provisions of this policy.

2:8 Negotiating Price

Unless specifically stated otherwise within a bid or RFP document, the County Manager or duly authorized County Representative will negotiate the price for any given product or service in order to achieve best value.

2:9 Code of Ethics

- A. As a political subdivision of the State of Colorado, anyone who makes purchases for the County is an agent of the County and is required to follow the State Procurement Code of Ethics. Under no circumstances does the ability to make purchases on behalf of the County entitle the purchaser to any kind of special personal privileges from the vendor and purchases on behalf of the County may not be in any way tied to personal purchases.
- B. Employees of Elbert County are generally prohibited from accepting gifts, samples, entertainment, special personal price considerations, fees, commissions or other gratuities from vendors or bidders.
- C. Employees shall comply with the following guidelines for accepting gifts or gratuities.

Generally acceptable gifts:

- Gifts of nominal value bearing the company logo
- Meals where representatives of the offering firm and Elbert County are both present
- Perishable gifts
- Gifts that fall under \$50 on an annual aggregate basis

Generally unacceptable gifts:

- Requests for charitable donations
- Gifts of more than nominal value

Unacceptable gifts:

- Gifts with a value exceeding \$65
- Any gift intended to influence business decisions
- Gifts to government officials for expedited service
- Gifts that may be considered bribes

- D. Employees may accept items of nominal value used as obvious forms of advertisement such as pencils, calendars, notepads, hats, and key rings. Vendors or bidders who offer gifts, entertainment or other goods or services of value may be declared irresponsible bidders and may be debarred from bidding.
- E. Anyone who makes purchases for the County will:
 - Deal with suppliers fairly
 - Offer to give equal assistance to all suppliers and potential vendors
 - Encourage effective competition
 - State the evaluation criteria in the terms of the solicitation and not change those criteria without each bidder's knowledge
 - Not label goods or services proprietary or sole source unless a documented

- determination has been made
- Not permit subjective favoritism or other procurement practices that do not encourage or allow for competition
 - Strictly adhere to the Conflict of Interest provision set forth in these policies.

2:10 Exemptions

The following purchases are exempt from competitive procurement, but may be bid if the County Manager deems that it is in the best interest of the County. They are not exempt from any other provision of this Policy, and remain subject to the signature authority limits as set forth in these policies.

- Meals
- Travel expenses
- Subscriptions and dues
- Utilities and fuel
- Training, conferences and seminars
- Postage
- Building rent or lease payments
- Insurance
- Weed and rodent control cost-share
- Intergovernmental payments and agreements
- Debt service payments
- Items on State bid contracts or other governmental contracts such as those available through the Colorado State Purchasing & Contracts Office or other governmental purchasing alliances.
- Goods or services of a similar nature that have been bid by the County within the past twelve (12) months from date of purchase order or contract award, whichever is later.
- Professional services of a similar nature, as determined by the Finance Department, that have been bid by the County within the past three (3) years from date that original competitive bid action was initiated or the award of bid was made, whichever is later. If an award of bid was made, only the professional to whom the project was awarded may be awarded the new contract. If an award was not made or the bidding process was incomplete, a selection committee may select the professional based upon the original solicitation, proposals or solicitation criteria.
- Continuation of professional services contracted in the previous five (5) years wherein the new work is a continuation of work previously completed, and the success of the project is predicated upon the contractor using data or materials said professional developed during an earlier phase.
- Land or Right of Way necessary to commence or complete a Capital Improvement Project.
- Services overseen by the County Coroner.
- Items procured through sole source.

Nothing within these policies shall prevent the County from complying with the terms and conditions of any grant, gift or bequest that is otherwise consistent with applicable law.

2:11 Procurement Records and Information

- A. Procurement information shall be a public record to the extent provided in the Colorado Open Records Act (C.R.S. § 24-72-201 et. seq.) and shall be available to the public as provided in said statutes.
- B. County procurement documents include the following, and shall be maintained in a central location in the Finance Department:
 - 1. Solicitations: These are invitations to bid, requests for qualifications and requests for proposals.
 - 2. Responses: These are bids, proposals and quotes submitted by vendors in response to a solicitation.
 - 3. Original contract file: All determinations and other required written records pertaining to the award or performance of a contract, including contract amendments. In the case of grant-funded contracts, includes copies of requests for reimbursement, pay outs and any other related correspondence and documentation.
 - 4. Original purchase orders: After a purchase is complete, original purchase orders and original invoices are retained in the Finance Department, when applicable, but exempting confidential documents
- C. Departments are responsible for providing all documentation, when applicable, but exempting confidential documents, to the Finance Department.
- D. All procurement records consisting of bid documentation, purchase requisitions, purchase orders and vouchers shall be retained of the current year plus one (1) year prior and disposed of by the County in accordance with records retention guidelines and schedules as required by law. Supporting documents for procurement card or credit card payments shall be retained for the current year plus six (6) years prior and disposed of by the County in accordance with records retention guidelines and schedules as required by law.
- E. Original procurement records for the current year plus two (2) years prior shall be kept in the Finance Department and disposed of in accordance with records retention policies.

Section 3 – Purchasing Methods3:1 Purchasing Thresholds

- A. All purchasing thresholds and signature authority limits set forth below apply to purchases for which the individual purchasing department has an approved budget in the current year. Purchases outside an approved budgeted line item limit must be requested and authorized through the Finance Department following all policies and procedures outlined in Section 10 – Budget.

Signature Authority Guidelines:

Directors, Elected Officials or County Representative	up to \$10,000
Director of Public Works	up to \$50,000
Director of Information Technology	up to \$50,000
Facilities Manager	up to \$10,000
County Manager	up to \$300,000

Bidding Thresholds:

Buyer's best judgment	up to \$5,000
Informal (Two written or oral quotes)	\$5,001.01 –\$25,000
Formal (Three written quotes)	\$25,001.01 - \$100,000
Formal Bidding Procedures	\$100,001.01 and above

- B. Exceptions to the bidding thresholds may be made on a case by case basis as allowed within this purchasing policy and approved by the County Manager.
- C. BOCC approval is required for all purchases exceeding \$200,000 and all real property purchases.

3:2 Travel

- A. The County will reimburse work-related travel expenses for employees and Elected Officials. Reimbursable expenses include:
- The cost of travel to and from the event or departure point, including parking expenses, from the location of their regular work address.
 - The cost of coach airline or train tickets unless otherwise approved in advance.
 - The cost of economy class rental car if necessary and approved in advance.
 - The County will reimburse mileage at the current State of Colorado rate per mile for the use of a personal vehicle for county business purposes. The County reserves the right to require the use of a County-owned pool vehicle.
- B. Employees wishing to have non-employees accompany them on any County business-related travel must receive approval in advance and will be responsible for all expenses directly incurred by the non-employee individual(s). Non-employee persons are not covered by County insurance.

C. Procedures

1. Supervisor approval must be obtained in advance of travel.
2. For all employees and Department Heads that report to the County Manager, the County Manager approval is necessary for all out-of-state travel.
3. Upon completion of travel, original receipts for registration fees, lodging, travel and transportation, business phone calls and other allowable expenses must be turned in to the Finance Department. Any allowable and properly documented expenses paid by the traveler will be reimbursed within thirty (30) days.
4. In all cases, but within reason, the most cost effective and efficient method of travel should be sought.
5. Regarding airfare, direct flights shall be considered the standard, even though flights with connections and/or layovers are often less expensive.
6. For out-of-state travel where the employee requests to use alternative transportation (i.e. train or automobile), the County will reimburse the most cost effective method (i.e. what airfare would have cost, the cost of a rental car with unlimited mileage and actual gas costs, or mileage reimbursement).
7. A meal per diem is allowed for travel requiring an overnight stay. Contact the Finance Department to determine the rate allowable for the county to which you are traveling, or the rates are available at <https://www.gsa.gov/travel-resources>.
8. The per diem amount should be pro-rated for partial travel days and pro-rated for meals provided by the seminar/conference (if applicable) as follows:
 - a. If actual costs are more than the per diem amount, the employee is responsible for the additional amount.
 - b. If actual costs are less than the amount of the per diem, the employee may keep the balance.
9. No receipts for meals are required by using the per diem system.
10. Refer to the County's Employee Handbook for specific instructions regarding compensation for hours worked during travel for non-exempt employees.
11. For out-of-state travel, note that airlines, hotels and other vendors may not honor the County's tax-exempt status.

3:3 Mileage Reimbursement

- A. Employees who choose to use their personal vehicle for County business will be reimbursed the current State of Colorado mileage rate. Employees are not entitled to reimbursement for gas, maintenance, insurance or other vehicle-related expenses. The County reserves the right to require use of a County-owned vehicle.
- B. Employees who use a County-owned vehicle or who use their personal vehicle for County business must have a valid driver's license. If there are any changes in their legal driving status, the employee must report these to the County as soon as possible. Changes may include, but are not limited to, suspension of driving privileges, driving restrictions, or loss of insurance coverage.
- C. The County does not reimburse employees for their commute to and from the

workplace.

D. To claim mileage reimbursement, these procedures must be followed:

1. Keep a written record of your business related travel. Include the total mileage of each business trip, the date of travel, the location to which you traveled and the purposes of your trip.
2. If you anticipate having to travel an unusually long distance, you must get your department manager's approval before making the trip.
3. Submit your reimbursement request to your department manager for approval within thirty (30) days.

3:4 Petty Cash

- A. Petty cash may be used to cover purchases of less than \$1,000, and may be disbursed as an advance or reimbursement.
- B. Petty cash funds may be requested from the Finance Department using a payment voucher form approved by the applicable Director, Elected Official or County Representative.
- C. Petty cash must be kept in a locked box in a secured location. Not more than two documented departmental personnel should be allowed access to the petty cash box. All department requests for petty cash must be accommodated by one of these two designated individuals.
- D. The designated petty cash custodians are responsible for ensuring that the cash in the box plus the total of all petty cash receipts exactly equals the total amount assigned to the department. The Finance Department will perform unannounced petty cash counts periodically during the year.
- E. Replenishment of petty cash must be done via a payment voucher request and must include all receipts and documentation for the purchases made depleting the petty cash amount.

3:5 Credit Cards

- A. Credit cards are a convenient purchasing approach to pay for County expenses in the most cost-effective manner. Credit cards reduce paperwork and increase the timeliness and quality of management and financial reporting. The use of credit cards is a privilege and should be treated as such.
- B. Purchases made on County issued credit cards are subject to the County's policies. The County reserves the right to bill card holders for inappropriate purchases.
- C. Requests for a card to be issued must be made to the County Manager based upon both the need for a purchasing card and the signature limits. Authorized employees shall be listed on the Signature Authority list in the Finance Department and shall sign a Purchasing Card Agreement prior to card issuance.
- D. The credit card program is designed as an additional procurement tool for individuals making purchases on behalf of the County for which the County is

financially liable.

- E. When using a county-issued credit card, the cardholder certifies that all purchases are within their spending authority and adhere to all County policies. Credit cards may be used to procure goods and/or services and pay for business-related travel expenses. Each credit card is issued to a named individual. Elbert County is clearly identified on the card as the buyer of the goods and/or services. All purchases are exempt from Colorado State and local sales tax.
- F. The success of this program depends entirely upon the willingness and commitment of each individual cardholder to follow the policies and procedures established to govern the administration of this program. The level of trust inherent in this program requires that each cardholder be fully accountable for all purchases charged against the purchasing card and to take every precaution necessary to safeguard the card from unauthorized use.
- G. The Credit Card Program Administrator shall be the County Manager. The day-to-day administration of all credit cards will be conducted by the Finance Department. Any questions or issues with the credit cards should be directed to the Finance Department. The County Manger shall have the authority to suspend any card holder and has all administrative authority over all credit cards.
- H. Contact the Finance Department if any of the following situations occur:
 - 1. New card requests or changes to existing cards
 - 2. Questions regarding credit card policy and/or procedure
 - 3. Problems encountered with credit card use or merchant authorization
 - 4. Lost or stolen cards
 - 5. Cardholder transfer or termination
 - 6. Eligible Cardholders and Card Request Information
- I. All full and part time regular employees and elected officials are eligible to participate in the credit card program. Credit cards will be issued upon written authorization by the County Manager.
- J. All card requests must specify the cardholder's name (as it should appear on the card). All requests to make changes to a current credit card must be in writing.
- K. Cardholders should be aware of the following differences between a County credit card and a personal credit card:
 - 1. Elbert County is responsible and liable for all charges made on a credit card. Unlike personal credit cards that have a limited liability if lost or stolen, the County is liable for all purchases made with a credit card until it is reported lost or stolen to the issuing bank.
 - 2. There is no personal liability to the named cardholder unless the cardholder violates the terms of the card use set forth herein or as specified in the cardholder agreement.
 - 3. All transactions charged to a County credit card are billed directly to the

County.

4. All credit cards should be treated with as much care as the cardholder would give to a personal credit card. All credit cards are County property and the cardholder is responsible for their security. All credit cards and related card information should be kept in a secure place; it is the responsibility of the cardholder to safeguard their card from inappropriate use by any other individual.
 5. Cardholders should not knowingly use their credit card to make purchases for personal, family, or household purposes either for themselves or for others. If any such charges are inadvertently made, the cardholder must reimburse the County immediately.
- L. It is the responsibility of the cardholder to restrict the use of their credit card to legitimate and appropriate business-related purposes. The credit card should never be used to avoid or bypass the County's current purchasing limits.
- M. Examples of purchases that would normally be considered appropriate uses of a County credit card include:
1. Materials, supplies, equipment, and/or services required for normal and emergency operation of Elbert County business, subject to applicable contract terms
 2. Registration for conferences, conventions, seminars, and training
 3. Business-related transportation and lodging expenses
- N. When placing a telephone, fax, or Internet order, always verify the availability of the item being charged. Back orders should not be charged until they are available for shipment. Also, verify that the total cost, including freight, does not exceed the authorized transaction limit and does not include Colorado State or local sales tax.
- O. The following are examples of purchases that are inappropriate and unacceptable uses of a County credit card:
1. Personal items and/or services
 2. Alcoholic beverages
 3. Gift cards
 4. Purchases over the cardholder's authorized transaction limit
 5. Circumventing the purchasing limits by dividing an order
 6. Cash advances, traveler's checks, and cash withdrawals at an ATM
 7. Any merchandise, product, or service normally considered to be an inappropriate use of County funds or that is in violation of County policy.
- P. In the event a cardholder is suspected of using a County credit card inappropriately, the County Manager will notify the responsible Department Director or Elected Official. If the Department Director or Elected Official concurs that the card has been used in a manner that violates this policy, the credit card will be canceled and any inappropriate charges will be immediately reimbursed by the cardholder. Unresolved disputes will be directed to the County Attorney. Inappropriate use of a County credit card may result in

disciplinary action up to and including termination.

- Q. All transactions conducted within the State of Colorado are exempt from State and local sales tax. The County is not exempt from lodging taxes.
- R. Each cardholder account has limits on the dollar amount and types of goods and services that can be purchased with the credit card. These limits are determined by the County Manager. If a cardholder has a question as to the reason a transaction was declined, they should contact the Finance Department.
- S. Purchases may be made online or by fax, mail, telephone, or in person. When placing an order online or by fax, mail, or telephone, the cardholder should request the cardholder's name be noted on the shipping label to facilitate delivery. Always request that a receipt be included with the order, and retain receipts for all purchases.
- T. Cardholders must turn in receipts after the statement has been reconciled. The cardholder is responsible for obtaining itemized receipts for all credit card transactions. When an itemized receipt is not available, the cardholder should include supporting documentation with the receipt. For lost receipts, the cardholder's Director or Elected Official should complete a Missing Receipt Form that can be obtained from the Finance Department. The cardholder may be required to reimburse the County for expenses for which an original detailed receipt is not available. The County Manager will determine if additional documentation is required.
- U. If an item or service purchased with a credit card is unsatisfactory, the cardholder should first try to resolve the problem with the vendor. If an item has been charged to the credit card but not received, the cardholder should contact the vendor to verify the shipment date. If the item has been or will be shipped soon, it is recommended that the charge be approved at the time of the statement. If the charge is approved and the merchandise is not received by the next statement date, the cardholder should contact the finance department to resolve the issue. Cardholders should keep in mind that charges must be disputed within sixty (60) days from the original transaction date.
- V. Upon termination of employment, whether for retirement, voluntary separation, resignation, dismissal, or at the end of the term in office for an Elected Official, the cardholder will surrender their card to the Finance Department or the County Manager, and the card will be immediately cancelled with the credit card issuer.
- W. In the event a cardholder is transferred to another department or division of the County, the cardholder, with written approval from the new Department Director or Elected Official to the County Manager, may continue to use the same credit card. The cardholder may be asked to surrender their card at any time by the County Manager, Department Director or Elected Official.
- X. If a credit card is lost or stolen, it is the responsibility of the cardholder to immediately contact the Finance Department. Issuance of the replacement

card may take up to ten (10) business days; the cardholder will be contacted when the new card arrives. Prompt notification of lost or stolen cards protects the County from fraudulent credit card use.

- Y. Cardholders must agree to all terms contained in the Policies and Procedures prior to the issuance of a County credit card.

Section 4 – Source Selection

4:1 Competition

All goods and services shall be purchased competitively if the aggregate total exceeds \$5,000, with the exception of those items set forth in these policies. For purchases below the \$5,000 threshold, Buyer’s best judgment is sufficient in selecting preferred vendor.

4:2 Sole Source

- A. “No bid,” or sole-source procurement, is justified when there is only one product or service that can reasonably meet the need of the County; there is only one vendor who can provide the product or service; or when the County intends to purchase professional services from a vendor who is uniquely qualified to provide such services. Additionally, “sole source” refers to the vendor, not the service, so the ability of a certain vendor to meet specific timing requirements or deadlines could create a situation where a sole source procurement is appropriate.
- B. However, and notwithstanding the general rule above, in cases of reasonable doubt, competition should be solicited under the normal bidding procedures of the County.
- C. When authorization above the Director or Elected Official level is required, written justification for the sole source request shall be attached to the documentation requiring approval.

4:3 Purchase Orders

- A. Some vendors require an approved Purchase Order from the County as a pledge to purchase goods or materials that are delivered before the County makes payment. If a Purchase Order is requested by a vendor, please contact the Finance Department for assistance.
- B. A Blanket Purchase Order is a Purchase Order initiated for multiple purchases from the same vendor over a period of time not to exceed one (1) year. Examples include but are not limited to sand, asphalt, office supplies, gasoline, or chemicals.

As long as the total dollar amount of purchases over a one (1) year period does not exceed the applicable procurement threshold, Blanket Purchase Orders may be created without bid at the discretion of the County Manager. Otherwise, Blanket Purchase Orders must be re-bid every twelve months and follow the same procedures outlined in these policies.

Blanket Purchase Orders may be issued for a “not to exceed” amount. Depending on the nature of the Blanket Purchase Order, funds may be encumbered in the accounting system.

4:4 Change Orders

- A. If a department’s needs change and the original Purchase Order needs to be modified, they should send a Change Order to the Finance Department. Examples of reasons for a Change Order include a change in merchandise functionality, quantity, price, delivery date or scope of work.

- B. Documentation for the Change Order must accompany the request to the Finance Department. Change Orders should reference the Purchase Order number they are modifying.
- C. The following situations apply accordingly:
1. If the Change Order does not modify the dollar amount of the Purchase Order, and does not significantly change the purpose of the Purchase Order, no additional authorization is required.
 2. If the Change Order increases the dollar amount of the Purchase Order above the signature authority of the original approver, additional authorization is required.
 3. If the Change Order modifies the account number, no additional authorization is required as long as the original signer had signature authority for the account to be charged, and there are adequate funds in the new account for the transaction.
 4. If the BOCC approved the original contract or Purchase Order and the Change Order is greater than 15% of the original amount, the BOCC must approve the Change Order.
 5. Change Orders shall not be used to circumvent dollar limits as outlined in these policies.

4:5 Payment Voucher

- A. A Payment Voucher is a non-purchase order payment that does not fall under the Credit Card or Petty Cash policies. Circumstances that may require a Payment Voucher include, without limitation, reimbursement for tuition, payment to other agencies under Intergovernmental Agreement (IGA), and land or right of way acquisitions.
- B. Payment vouchers are subject to purchasing thresholds and signature authority limits as set forth in these policies. If the desired purchase totals over \$25,000, the quotes are required to be turned in with the payment voucher.

Unless the transaction is exempt as set forth in these policies, appropriate bidding procedures must be followed and documented for purchases above \$100,000.

The vendor's invoice must be submitted to Accounts Payable with the Warrant Voucher Form with the following information clearly identified:

- | | |
|-------------------------|--|
| • Department | • Description |
| • Date | • Amount |
| • Vendor Name & Address | • Signature of Person Preparing |
| • Vendor Code | • Signature of Director/Elected Official |
| • Account Number | • Date of Signature |
| • Invoice Date | • W-9 for New Vendors |
| • Invoice Number | |

If any of these items are missing, a Non-Processed Payment Voucher Return Receipt may be returned to the department stating what information is missing before the Finance Department will continue processing.

- C. There are certain vendors, such as phone and utility companies, to whom the County remits payment from statements rather than individual invoices. In these situations, invoices must be forwarded to the Finance Department within three (3) business days of receipt and must include, at a minimum, the information required in the applicable form.
- E. Payment Vouchers should be submitted to the Finance Department in sufficient time to allow payments to be made by vendor due dates. Any finance charges incurred from late payments will be charged to the responsible department.
- F. If a vendor does not receive their check or if it is unavailable to be mailed back, a Voided Check Form must be completed and returned to the Finance Department before a new check can be issued.
- G. Supplies, materials and equipment are to be delivered to a County location, and may not be delivered to an employee's or official's residence or personal business location unless authorized by a Director.

Goods are to be timely inspected by the department receiving the item(s) for conformance with the order. Any damaged goods or goods of an unacceptable quality/quantity should be quickly returned to the vendor.

- E. The County Attorney, per policy, or a County Commissioner who has been designated as a board representative for negotiation of the settlement of County legal disputes, shall have the authority to negotiate financial settlements for such dispute up to the fiscal spending capacity as authorized.

4:6 Informal Procurement Procedures

- A. Purchases of goods or services having an estimated value of less than \$10,000 may be made on the open market by informal procurement methods, without public notice and without following the formal procurement methods. Purchases shall not be artificially divided so as to fall under the \$10,000 threshold and circumvent the formal procurement process.
- B. Whenever possible, departments should consult SOURCINGColorado or other cooperative purchasing alliances for existing price agreements.
- C. The Director, Elected Official, or designee of the requesting department is responsible for acquiring informal bids. The County Manager is available to assist if necessary.
- D. Departments may execute purchases under \$5,000 by using a purchasing card or a check. All policies and procedures herein pertaining to these purchase methods apply. Under no circumstances are large purchases to be artificially divided to fall within this limitation.

The Director, Elected Official, or authorized representative may solicit bids for small purchases in order to determine best value for the County. For small purchases, bid information shall be maintained by the department.

- E. Two written or oral quotes must be solicited prior to purchasing goods or services between \$5,000 and \$25,000, absent designated exemptions. The quotes should

include information relating to all details of the purchase including date of delivery, total cost, warranties, and discounts in order to determine Best Value for the County.

After receipt of the quotes and choice of preferred vendor, the department representative shall submit an approval memo, signed by the Director or Official, to the Finance Department with all informal bid documentation attached.

- F. When making online orders using a credit card, purchasers must ensure that the transaction is secure. Please contact the Information Technology Department for assistance.

4:7 Formal Procurement Procedures

- A. Three written quotes must be solicited prior to purchasing goods or services between \$25,001 and \$100,000. The quotes should include information relating to all details of the purchase including date of delivery, total cost, warranties, and discounts in order to determine Best Value for the County. This may be accomplished by issuing a Request for Proposals (RFP) to at least three qualified vendors.
- B. After evaluation of the quotes and choice of preferred vendor, the department representative shall submit an approved memo to the Finance Department with all informal bid documentation attached. The formal bids must be retained for a period of one year.
- C. Competitive Sealed Bidding: The procurement of goods or services exceeding a total annual value of \$100,000 shall be competitively solicited through a sealed bid process except those purchases which may be exempt as described in this section.
 - 1. Sealed bids will be opened one at a time and at a place indicated in the ITB or RFP. The County Manager will make the bid award decision, subject to the authority limitations stated in the County Manager Policy. ITB and RFP documents must be reviewed by the County Attorney and County Manager prior to posting.
 - 2. The Statement of Work (SOW) or specifications are critical to the success of the procurement. Bid specifications should be written so as to promote economy and encourage competition, and may not be unduly restrictive so as to limit competition.
 - 3. Depending on the nature of the product or service, bids are not necessarily awarded based on price alone. A determination of Best Value shall be used, and may result in an award to a bidder other than the lowest responsible bidder. In all cases, evaluation criteria and the basis for the award must be included with the written determination of award and in ITBs or RFPs.
 - 4. For repetitive purchases, it is not necessary to obtain bids with each purchase – provisions of these policies relating to Blanket Purchase Orders may apply. However, a bid process should be conducted at least once every twelve (12) months.
 - 5. The County reserves the right to reject any and all bids, to waive any

informalities and minor irregularities in bids, and to accept the bid deemed to be in the best interest of the County.

D. The County must give public notice of competitive sealed bidding. A public notice to bid must be published on the Rocky Mountain ePurchasing System website, bidnetdirect.com, at least five (5) days prior to the bid opening, and three (3) weeks whenever possible.

E. Types of Solicitations

1. REQUEST FOR INFORMATION (RFI): An RFI is a solicitation for information, which may include a quote or cost estimate, obtained from a supplier or contractor in an informal manner. It is for information only and is not used as a basis for vendor evaluation or selection. This type of solicitation is exempt from public notice requirements.
2. INVITATION TO BID (ITB): An ITB is a solicitation of formal bids which requires advertising, bonds, and sealed bids. The County Manager or designee is responsible for developing the bid package and determining vendor eligibility. Specifications, delivery requirements, plans, drawings, and other items must be determined and finalized prior to the bid package being issued. Eligibility may be determined from a pre-qualification process, general advertising of project, or any other method deemed appropriate. In most cases, a Bid Acknowledgement will be a required part of the bid proposal. If prequalification is required for a project, such requirement shall be published in the ITB.
3. REQUEST FOR PROPOSAL (RFP): An RFP is a solicitation for goods or services designed for an award based upon criteria other than price alone. It is most often used for items or services that are difficult to quantify or describe because it allows the proposer to suggest the item or service that might best suit the County's needs. Examples where an RFP may be appropriate include design services, professional services, janitorial services, specialized equipment or software purchases. The RFP is subject to public notice requirements and should contain the following as a minimum: 1) A scope of services and/or detailed specifications; 2) The required time schedule; 3) Project budget; 4) General requirements; 5) Conditions and provisions; 6) Location, date and time for submittal of the proposal; 7) Evaluation criteria to be used for selection and award.

F. Solicitation Procedures: The County Manager or authorized County Representative shall issue formal solicitations. Solicitation documents should be published in "pdf" or other non-editable format in order to prevent alteration and to ensure consistency of responses. The County Manager shall advertise solicitations as widely as possible, including without limitation through direct solicitation, in local and regional newspapers, on the County website and on trade organization web sites as applicable.

G. Pre-Qualification: The County Manager or designee may determine if a pre-qualification process is appropriate and determine the criteria. Criteria may include, but is not limited to the following: construction experience, experience specific to the work specified, construction track record, government experience, and

financial stability. Vendors may be pre-qualified on an annual basis or on a project basis.

The Director, Elected Official, or project manager will review the qualifications and information to determine the acceptability of responding bidders. Qualified responders will be placed on a pre-qualified bidder's list kept by the relevant department.

- H. Bid Evaluation: Bids shall be evaluated by a pre-determined Selection Committee based on the requirements set forth in the bid package, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award shall be objectively measurable, such as discounts, transportation costs, and total for life cycle costs. The bid package shall set forth the evaluation criteria to be used. No criteria may be used in bid evaluation that is not set forth in the bid package.
- I. Withdrawal or Modification of Bid:
 - a. Prior to Bid Opening: The bidder may withdraw a bid prior to the specified bid opening date/time if the bidder's representative appears at the Finance Department office, or if the County Manager receives a written request for withdrawal at the Finance Department office. Written notice includes fax or email. At the bid opening, but prior to the actual opening of the bids, a bidder may withdraw a bid to correct a mathematical error, to sign a document or to correct clerical errors. The bidder must submit a written request stating the nature of the modification to the bid, must make the modification as quickly as possible without leaving the room where the bids are being opened, and will not be allowed to make any telephone calls to subcontractors.
 - b. After Opening, but Prior to Award: No bid may be withdrawn or contract negated unless the bidder or contractor can establish that the bid or contract contains mistakes related to a material feature of the contract, and unless withdrawal is deemed by the County Manager to be in the best interest of the County.
- J. Award: The contract shall be awarded with reasonable promptness by the County Manager to the bidder whose bid meets the requirements and criteria set forth in the bid package, unless the County Manager or designee determines that public interest will be better served by accepting a different bid. In the case that the lowest responsible and responsive bidder does not get the award, documentation of the evaluation criteria and the basis for the award shall be included with the written determination of award. This documentation shall be made available to all bidders and the public upon request.

The County Manager shall issue a Notice of Award to the successful bidder and may also notify unsuccessful bidders.
- K. Cancellation of Solicitation: A formal solicitation may be canceled, or any or all bids or proposals may be rejected in whole or in part as may be specified in the

solicitation, when it is in the best interest of the County. The reasons therefore shall be put in writing and made part of the contract file.

4:8 Bid Protest

- A. A protest may be submitted on any phase of a formal solicitation up to and including the date of award. Protests consist of written objections by an interested party to a formal solicitation by the County or cancellation of the solicitation. Matters regarding County policies and procedures are not subject to protest.
- B. When submitting a protest, the party must:
 - Identify the ITB or RFP title
 - Date the protest
 - Describe the aggrieved issue
 - Submit one (1) original and two (2) copies of the protest to the County Manager
- C. The County Manager will send a copy of the protest to the County Attorney and the Department affected by the protest, if applicable. The County Manger will review the issue with the appropriate staff, which shall include the County Attorney. Within seven (7) business days, the County Manager will reply, in writing, to the aggrieved party. The County Manager is the only person authorized to respond to the protest. The reply shall state the reasons for the decision reached. Specific findings of fact are not required, but if made, shall not be binding in any subsequent proceeding. The decision of the County Manager is final.

4:9 Disqualification of Bids

- A. The following may be grounds for disqualification of bids and while not exhaustive, are meant to be examples only:
 - 1. Vendor not attending a mandatory conference or mandatory site visit;
 - 2. Documents as required by the ITB or RFP are missing from the bid;
 - 3. Unsigned bids;
 - 4. Bids received after the date and time for opening;
 - 5. Bids where prices are conditional on award of another bid, or when prices are subject to unlimited escalation;
 - 6. Irregularities in bid bonds;
 - 7. Alternative bids (those not conforming to the specifications) may be deemed non-responsive, and may not be considered for award;
 - 8. Bids submitted by nonqualified vendors;
 - 9. Multiple bids are submitted by the same vendor under different business names; and
 - 10. Evidence of collusion or other anticompetitive practices between vendors.
- B. Any disqualified bids shall be returned to the bidder.

4:10 Conflict of Interest

- A. Except as provided in this section, Elbert County shall not contract for goods or services with an employee, Elected Official, member of his/her immediate family, or a company which is owned in whole or part by an employee, Elected official, or

a member of his/her immediate family, or a company in which an employee, Elected Official or a member of his/her immediate family has a financial interest.

- B. Exception: Due to the nature of the small, rural community of Elbert County, it may not at all times be feasible to exclude local vendors from doing business with the County as described above. In these cases, the County Attorney shall make the determination whether a conflict of interest exists.

4:11 Vendor Responsibility

- A. Vendors are responsible for complying with the terms of this Procurement Policy. County staff should refer vendors and unsolicited proposals to the County Manager. The County Manager shall arrange appointments with vendors at the convenience of the affected departments.
- B. When, for any reason, collusion or other anticompetitive practices are suspect among vendors, notice of the relevant facts shall be transmitted immediately to the County Attorney, District Attorney and Colorado State Attorney.
- C. In order to do business with the County, a vendor must be able to demonstrate that it has:
 - 1. The appropriate financial, insurance, material, licensing, certifications, equipment, facility, and personnel resources, experience and expertise, or the ability to obtain the necessary to indicate the capability to meet all contractual requirements;
 - 2. A satisfactory record of performance and integrity;
 - 3. Good standing with the Better Business Bureau;
 - 4. The legal capacity to contract with the County; and
 - 5. Supplied all necessary information in connection with inquiry concerning responsibility including, but not limited to, any prequalification requirement as set forth in this section, when applicable.
- D. The County reserves the right to inspect the plant, place of business or worksite of a vendor.
- E. The Finance Department shall keep a record of all vendor W-9 forms.
- F. The unreasonable failure of a vendor to promptly respond to an inquiry relating to responsibility may be grounds for a determination of non-responsibility.
- G. If a vendor who otherwise would have been awarded a contract is found non-responsible, a written determination of non-responsibility, setting forth the basis of the finding, shall be prepared by the County and the non-responsible vendor will be ineligible for the award.

4:12 Debarment or Suspension

- A. The County Manager may debar or suspend a vendor or contractor for just cause. The County Manager shall seek input from any affected Elected Official prior to making a decision.
- B. No vendor or contractor shall be debarred or suspended until an opinion regarding the same has been obtained from the County Attorney and until procedures

recommended by the County Attorney have been followed.

- C. The period for debarment shall be determined by the County Manager on a case by case basis.
- D. Reasons for debarment or suspension include the following:
 - 1. Commission of fraud or a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract or in the performance of such a contract or subcontract.
 - 2. Conviction or indictment under a state or federal statute of embezzlement, theft, forgery, bribery, falsification, or destruction of records, or receiving stolen property.
 - 3. Conviction or indictment under a state or federal antitrust statute.
 - 4. Failure or default without good cause to perform in accordance with the terms of any contract or unsatisfactory performance of any contract.
 - 5. Debarment, disqualification or suspension by another government entity for any reason.

4:13 Refunds

- A. Refunds of money paid to the County are to be initiated by the department responsible for the revenue collection. All refunds must be run through Accounts Payable and will be credited back to the applicable County cost center.
- B. A Payment Voucher, or other department specific refund form, must be completed, authorized and submitted to Accounts Payable. Refunds for overpayment of on-going receipts (i.e., Sales Tax, Utilities) may be given in the form of a credit on a future billing.

Section 5 – Cash

5:1 Overview

- A. Cash represents one of the County's most sensitive assets. Controls for the collection, custodianship, and deposit of cash are necessary to prevent mishandling of funds. These controls are designed to safeguard employees against inappropriate charges of mishandling funds by defining their responsibilities and providing clear accountability in the cash handling process.
- B. The term cash includes coins, currency, checks, money orders, electronic funds transfers (EFTs), negotiable instruments (such as letters of credit) and charge card transactions.
- C. The stewardship of financial assets for the County is shared by authorized employees across departments. Various departments within the County receive cash for fees or services and are responsible for the transmittal of funds to the Elbert County Treasurer for bank deposit.
- D. Departments are expected to provide secure surroundings for employees who handle cash and to keep them informed of all County policies and procedures. The department may create more stringent guidelines specific to the department's operation, but not change or substitute the policies and procedures within this document.
- E. These policies and procedures shall be implemented to the maximum degree practicable to manage risks such as theft and manipulation of collection systems. Staff is encouraged to report errors and voice concerns about inconsistencies or inefficiencies.
- F. All employees involved in the processing of transactions involving cash are expected to be accurate and efficient when processing the transaction. Only those employees who have been specifically authorized shall perform cash handling duties. County employees receive a background check upon hire as warranted by the County Human Resources department. Also, employees involved in the cash collection process are required to sign that they have read and understand the policies and procedures of the department in which they are working as well as this document.
- G. All monies must be deposited in the form in which they were received. It is against County policy for an official or employee of the County to cash checks from public funds.

5:2 General Cash Controls

- A. Cash receipt records shall be maintained and prepared immediately for all cash received.
- B. Cash collection duties should be assigned to a specific individual or individuals within a department to establish accountability.
- C. Physical protection of funds through the use of vaults, locked cash boxes, or cash drawers shall be practiced at all times.

5:3 Internal Controls

A. Segregation of duties serves as a deterrent to fraud or concealment of errors. It is designed to protect one person from the sole responsibility for all cash handling. Ideally, the cash handling process should be separated into the following three functions:

1. Cash Collection

- a. Handling payments and receipting transactions either manually or electronically.
- b. Preparing a daily balance of the collections received.
- c. Performing a reconciliation of credit card receipts.
- d. Preparing a Deposit Transmittal Form containing the detail of funds deposited with the County Treasurer.

2. Recording and Depositing

- a. Preparing bank deposit and deposit slip.
- b. Reviewing the applicable revenue codes in the Finance accounting system to ensure monies collected are properly recorded

3. Control Activity

- a. Reviewing the daily cash balance.
- b. Performing a reconciliation of department collections and deposits to the general ledger.

The County Treasurer performs both the depositing and recording and control activity functions of the cash handling process. The cash collection procedure must have a separate review and oversight function within the department receiving the funds.

B. Department heads are responsible for providing employees with assigned cash handling responsibilities clear written procedures with regard to the handling and control of cash collections. Such employees must read the finance policies and sign an acknowledgement stating they have read and understand them.

5:4 Cash Collections

A. Employees with cash handling responsibilities are expected to use the following best practices regarding cash collections:

1. Always double count cash received.
2. Give written receipts for all payments.
3. Enter transactions properly as “cash,” “check,” or “credit card” in order to properly reconcile the daily transaction totals.
4. Inspect large bills (\$20s and above) to reduce the risk of accepting counterfeit money.

5:5 Check Payments

- A. Checks must be reviewed to ensure they are written to the appropriate party and are properly dated. Checks must not be post-dated (dated in the future) or stale dated (bank deposit date more than three months from the check date).
- B. All checks are to be restrictively endorsed immediately upon receipt by the County Treasurer.
- C. Third party checks made out to one party and signed over on the back of the check to another party are not to be accepted.
- D. Checks made payable for an amount greater than the transaction cost shall not be accepted, nor change disbursed for payments made by check.

5:6 Credit Card Payments

- A. MasterCard, Visa, American Express and Discover are the only credit cards that may be accepted. No surcharges may be placed on credit card transactions by the County to cover processing costs. The only convenience fee to be charged is that of the merchant services provider, none of which is retained by the County. Refunds for purchases made by credit card must be made by crediting the card unless the length of time between the payment and refund prohibits a refund being made to the card.
- B. For over-the-counter transactions, personal identification is required to be presented at the time of the transaction and compared to the credit card for fraud prevention. For credit card payments made by telephone, the customer's name as it appears on the credit card or debit card, telephone number, card number, expiration date, zip code, and CVV security code on the card (three-digit for Visa, MasterCard and Discover, four-digit for American Express) must be obtained. The credit card transaction must be processed at the time the customer is on the phone. Any credit card/confidential information documented in writing for reference during the phone conversation must be shredded upon completion of the credit card processing.
- C. Credit cards may be accepted in person or over the telephone, subject to authorization from the credit card company. Clearly state in the comments section of the processing screen or note on the physical copy of the receipt sent to the Clerk whether the payment was made by mail or phone.
- D. Refunds and voided transactions must be processed by the Department head or the Department head's designee.

5:7 Deposits and Reconciliations

- A. The following represent "best practices" for cash receipting and deposit processes. These guidelines are intended to represent a typical level of controls. Departmental policies may differ, but should still contain these minimum levels of control.
- B. Funds should be remitted to the County Treasurer daily for amounts over \$500 with a minimum of once a week for all deposits. Remittance of credit card receipts should also follow these guidelines. Even if an employee is not sure how to record

the transaction, the funds should be deposited and any errors corrected via a journal entry, either by the Treasurer or Finance Department.

- C. Customers should be given a receipt for every transaction.
- D. Receipts should be pre-numbered and the numbers should be logged and accounted for.
- E. Cash should be stored in a secure location.
- F. Deposits should reconcile to independent documentation, including copies of County issued receipts and accounting reports.
- G. A Deposit Transmittal Form should accompany each remittance to the County Treasurer. This form should be signed by the person preparing the deposit and the Treasurer's Office employee receiving the funds as verification of the amount deposited. A receipt should then be provided to the originating County employee.
- H. Management should review receipting, reconciling and transmittal of funds for deposit on a regular basis. Any discrepancy between the deposit and reconciliation must be thoroughly explained in writing by the employee who received the funds and signed by that employee's immediate supervisor or department head.
- I. Under-assessed fees should be brought to the attention of the Department Head as soon as an underpayment is discovered. All practicable efforts should be made to collect outstanding balances in coordination with the Department Head, County Manager, and County Attorney as needed.

5:8 Refunds

- A. Fees paid in error or amounts paid incorrectly due to miscalculations must be refunded in an expedient manner.
- B. Refunds for amounts over \$10.00 will be initiated by staff within five (5) business days of discovering the incorrect payment.
- C. Procedures for processing refunds may be developed as needed by individual departments.

Section 6 – Contracts

6:1 Contract Administration

- A. A County Representative(s) shall be identified on all contracts presented to the County Manager for award. The County Representative is responsible for ensuring that all scope of work/services and the terms and conditions of the contract are met prior to making payment. Changes in or issues with the contract must be directed to the County Representative who will notify the County Manager.
- B. All signed contracts, including Intergovernmental Agreements, shall be retained in a central file in the Finance Department.
- C. A County standardized contract which is appropriate to the procurement shall be used. Standard contracts are maintained by the Finance Department. A non-standardized contract may be used with review and approval by the County Attorney as necessary.
- D. Types of contracts the County may enter into include the following:
 1. Capital Improvement Contracts: Only the County Manager or the Chair of the Board of County Commissioners has the authority to sign a capital improvement contract for the County (contractual authority). A County Representative MUST be designated for each capital improvement project and specified within the contract. This individual will coordinate with the County Manager to be accountable for all aspects of proper contract administration surrounding the construction in progress. Each department and its personnel are responsible for the effective planning for its capital improvement projects, which includes timeframes and schedules to benchmark progress.
 2. Service Contracts: This type of contract results in the furnishing of labor, time or effort by the contractor or sub-contractor without the delivery of a specific end product other than required reports, plans, documents or performance. The County Manager, County Attorney, or the Chair of the Board of County Commissioners has the authority to sign a service contract for the County. Authority is also given to Elected Officials with the approved budget for any such service contract. A County Representative MUST be designated for each service contract and specified within the contract. This individual will coordinate with the County Manager to be accountable for all aspects of proper contract administration related to the service being furnished.

A multi-year service contract may be entered into for a maximum of five (5) years, provided it includes clear and reasonable termination and/or non-appropriation clauses as to both parties and the funds are available for the first fiscal period at the time of contract. After five (5) years, the service must go back out for competitive bid. When funds are not appropriated or otherwise made available to support continuation of the contract in a subsequent fiscal period, the contract shall be cancelled and the contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred. Bids may be structured with stated annual price increases for each term; however, such bid prices and conditions shall remain firm for multi-year contracts.
 3. Maintenance Contracts: Any contract for the yearly maintenance of equipment,

including warranty contracts, shall be administered by the County Manager or designated County Representative.

4. Grant Contracts: Any contract between the County and an outside agency (Agency) where the Agency gives the County money to perform to the Agency's standards and as specified in the contract. These contracts shall be administered by the Finance Department or Elected Official office working closely with the Finance Department to ensure County compliance with Agency-specified requirements including timeline, budget, reimbursement requests and reporting. Please refer to the Grant policy for more information.
5. Intergovernmental Agreement (IGA): Any agreement involving shared costs or services between the County and one or more other government entities (Entity), where the contribution from the Entity is not considered a grant. Only the Chair of the BOCC has the authority to sign an IGA for the County. The County Manager or designated County Representative shall oversee the execution of each IGA.

6:2 Contract Execution

A. The following positions are authorized to execute contracts:

1. Chair, BOCC: The Chair, with BOCC approval, has the authority to sign all County contracts and is the only position who may execute a grant contract, an IGA, contracts over \$200,000, non-budgeted contracts over \$10,000, and contract change orders in excess of fifteen percent (15%) over the original contract amount.
2. County Manager: If approved by the BOCC, the County Manager may execute all standard contracts less than \$200,000 provided the procurement is funded in the current budget, and all non-budgeted contracts less than \$10,000. In addition, the County Manager may execute any nonstandard contracts related to: the sale or purchase of County real or personal property, provided that the subject matter of the sale or purchase was previously approved by the BOCC; computer software/hardware licensing agreements; equipment or building leases; and maintenance agreements.
3. County Attorney: the County Attorney may execute contracts as outlined in the County Attorney Policy.
4. Elected Officials: If approved by the BOCC, Elected Officials may execute standard contracts less than \$50,000 provided the procurement is funded in the current budget, and all non-budgeted contracts less than \$10,000. In addition, Elected Officials may execute nonstandard contracts related to computer software/hardware licensing agreements; and maintenance agreements.

6:3 Lease Purchase Procedures

- A. Lease Purchase contracts may only be authorized by the County Manager, County Attorney or the BOCC.
- B. All required bidding procedures should be followed based on the amount of the contract.

- C. A memo must be submitted to the County Manager which outlines the procurement procedure followed, a summary of the quotes/bids received and a recommendation from the department for the equipment/service they wish to receive.
- D. After obtaining the County Manager's approval, the department should bring all materials to the Finance Department to begin the lease process with the appropriate financial lender.
- E. The Finance Department will obtain formal lease documents from the lending institution and coordinate with the County Manager for required signatures.

6:4 Bid Security, Performance and Payment Bonds

- A. When a contract is awarded, unless the County Manager or designee deems otherwise, the related bonds or security shall be delivered to the County and shall become binding on the parties upon the execution of the contract. Nothing in this Part shall be construed to limit the authority of the County to require a bond or other security in addition to the bonding requirements as stated below.
- B. Bid security (Bid bond) in an amount equal to five (5) percent of the total amount of bid shall be required for all competitive sealed bidding for capital improvement and service contracts. Bid security shall be in the form of a bond provided by a surety company authorized to do business in this state, or the equivalent in certified funds, or otherwise supplied in a form satisfactory to the County.

When the ITB requires security, any bid not including provisions for bid security will be rejected.

- D. Labor and Materials Payment Bond: Per C.R.S. §24-105-202, construction contracts in excess of \$150,000 require a payment bond (see Appendix B) satisfactory to the County, executed by a surety company authorized to do business in this state, or otherwise secured in a manner satisfactory to the County for the protection of all persons supplying labor and material to the contractor or its subcontractors for the performance of the work provided for in the contract, in an amount equal to fifty percent (50%) of the price specified in the contract. The contractor shall deliver this bond to the County within ten (10) calendar days after the receipt of Notice of Award or at the time of execution of contract. If the contractor fails to deliver the required bond, the contractor's bid may be rejected or terminated for default. Bonds may be required on other than construction contracts or on those of less than \$150,000 if the Finance Department deems it to be in the best interest of the County.
- E. Retainage: Per C.R.S. §24-91-103, the contract shall include provisions for retainage of contract sums as prescribed by State Statute, and may include provisions for retainage in contracts not covered by state law.
- F. Damage or Delay: The County may, by contract, require the contractor to waive, release, or extinguish its rights to recover costs or damages, or obtain an equitable adjustment, for delays in performing such contract if such delay is caused, in whole or in part, by the acts or omissions of the County or its agents,

if the contract provides that an extension of time for completion of the work is the contractor's remedy for such delay.

6:5 Insurance

The County Manager may require such insurance as may be necessary for the protection of the County and as required by law. When a contract requires contractor insurance, the insurance certificates shall be provided with the contract, including all exceptions and riders attached to the certificate. All insurance certificates shall include a requirement for naming the County as additional insured and a requirement for General Liability Insurance. At a minimum, this insurance shall be in the statutory amount for Worker's Compensation and \$1,000,000/\$3,000,000 minimum limits for General Liability. Workers and contractors who are not protected by or do not provide Worker's Compensation insurance shall not participate in a County contract.

6:6 Notice of Award

The County Manager will issue a Notice of Award (see Appendix G) stating the terms of the contract award, including date of award, vendor, contract amount and goods or services to be provided. The Notice of Award shall be included in the contract file.

6:7 Notice to Proceed

A Notice to Proceed shall be issued by the County Representative stating that the vendor shall begin work pursuant to the contract. Typically a Notice to Proceed is issued for capital improvements contracts when the specific start date has not been named in the contract. The vendor shall sign acknowledgment of this Notice and return it to the County Manager for inclusion in the contract file.

6:8 Contract Compliance & Project Inspection

- A. The County Representative is responsible for inspecting the work and keeping written records of project evaluation data; for capital improvement projects, the County Representative should keep inspection logs. Departments must be aware that comprehensive written records are necessary to support debarment, suspension or potential future litigation.
- B. Stop Work Order or Contract Cancellation: The County Representative may stop the project and the County may cancel the contract if the contractor commits any of the following acts which substantially constitute breach of contract:
 - 1. Fails to begin work within the time specified in the contract;
 - 2. Fails to perform the work with sufficient personnel or equipment to ensure timely completion of said work;
 - 3. Fails to perform work in accordance with contract terms/requirements;
 - 4. Refuses to remove or replace unacceptable work;
 - 5. Fails to resume work which has been discontinued within a reasonable time after notice to do so;
 - 6. Becomes insolvent or is declared bankrupt;
 - 7. Discontinues the prosecution of work;
 - 8. Is a party to fraud; or
 - 9. For any other reason whatsoever, fails to carry on the work in an acceptable

manner.

- C. If the County Representative discovers that the contractor has committed any of the above acts, the County Representative shall verbally inform the job site supervisor to stop work immediately, and then prepare and deliver a written stop work order, detailing the deficiencies, to the County Representative who shall serve as the liaison between the County and the company. The original stop work order shall be delivered to the company, with copies to the County Manager, County Attorney and Finance Department.
- D. In addition to stopping the work, if the contractor commits any of the above acts, the County may file a claim with the surety company and may immediately terminate the contract upon written notice to the contractor.

6:9 Contract Protest and Appeal

- A. All claims against the County by a vendor relating to a contract shall be submitted in writing to the County Representative for a decision. Matters regarding County policies and procedures are not subject to this Section. The County Representative shall consult with the County Manager, County Attorney and appropriate department in order to arrive at a decision.
- B. Reasons for contract protest may include:
 - 1. Disputes arising under a contract
 - 2. Disputes based upon breach of contract
 - 3. Disputes arising from contract modification or rescission
- C. The decision of the County Representative shall be issued in writing and shall be furnished to the contractor. The decision shall state the reason(s) for the decision reached and shall inform the contractor of its right to appeal.
- D. The County Representative decision shall be final unless, within ten (10) calendar days from receipt of the decision, the contractor furnishes a written appeal to the BOCC. The BOCC shall issue a written decision regarding the appeal which shall state the reason(s) for the decision.

6:10 Independent Contractors

- A. The County Manager or the County Attorney shall make the determination that an individual is an independent contractor and shall approve any contract arrangements.

An individual is generally considered to be an independent contractor if the employer has the right to control or direct only the result of the work and not the means and methods of accomplishing it. Examples may include a software programmer, recreation instructor, or electrician.

The rules of the IRS code for determining whether an individual is or is not an independent contractor are complex. The determination should be made on a case by case basis.

- B. It is the responsibility of the department and its personnel to comply with all provisions set forth with this independent contractor policy. Steps in contracting

with independent contractors include:

1. Identification of need.
 2. Determination of status with County Manager or County Attorney.
 3. Negotiation of contract.
 4. Personal Services Contract filed with Human Resources.
 5. IRS Form W-9 filed with Accounts Payable.
- C. Once the County Manager or County Attorney provides approval to contract with an independent contractor, terms need to be negotiated with that contractor. Each independent contractor must be given a copy of the W-9 (see Exhibit E). Additionally, each independent contractor should be made aware of the deadlines for payment processing.
- D. A Personal Services Contract must be completed, signed, and forwarded to Human Resources. The original is kept in a file in the Finance Department. IRS Form W-9 must be completed, signed, and forwarded to Accounts Payable.
- E. The standard Personal Service Contract should not be modified, unless approved by the County Manager or designee.

6:11 Third Party Agent

From time to time, particularly for large capital improvement projects, it is in the County's best interest to engage a contractor as a third party representative agent to coordinate project-specific procurement activities on behalf of the County. In this case, without exception, the third party agent shall abide by all sections of the Finance Department policies and procedures. Final award, contract execution and ultimate contract administration shall remain in the purview of the County.

Section 7 – Asset Management

7:1 Capital Assets

- A. The capital assets of the County consist of long lived resources, having a value in excess of \$5,000 and a life expectancy in excess of one (1) year. Capital assets include machinery, vehicles, tools, road maintenance equipment, computers, furniture and fixtures, and like items. A central inventory of County capital assets is maintained by the Finance Department. It is the responsibility of departments to inform the Finance Department of any actions affecting this inventory such as sale or transfer of equipment. Property asset tags, where appropriate, will be assigned by the Finance Department upon receipt of new capital equipment.
- B. Departments disposing of any capital assets having a replacement value in excess of \$5,000 shall notify the Finance Department. The Finance Department will attempt to reassign the assets to another department, when applicable. If the item(s) cannot be used by another department, the item(s) will be disposed of in a manner deemed to be in the best interest of the County and/or community. The following methods of disposal shall be used:
- Sold at public auction: This method requires approval by the County Manager. All items for public auction will be sold online using www.govdeals.com.
 - Sold or traded as salvage or scrap: The County shall attain the highest return available. In some cases, it may be cost beneficial to dispose of an asset through a trade, such as in return for hauling or other consideration.
 - Donated to a local government or service agency.

7:2 Real Property Assets

- A. Real property consists of any land or buildings legally owned (County-held title) by the County. Real property also includes County-owned Rights of Way.
- B. Purchase of Real Property: Procurement of real property will be required from time to time for capital improvement projects such as new County facilities, parks and trails, airport uses, landfill expansion and other public works projects. Procurements of real property must adhere to all relevant parts of this Procurement Policy.

Prior to real property purchase, appraisal and environmental assessment (including hydrology and cultural resources) of the proposed property must be conducted; and funding must be in place. If issuance of General Obligation bonds or other funding strategies, such as a tax increase, are required, the proposed purchase MUST go before the voters for approval.

There may be opportunities for nonstandard real property acquisition, such as property donations or trades. Any nonstandard purchasing agreements, regardless of the value of the property, must be authorized by the BOCC and reviewed by the County Attorney.

- C. Disposal of Real Property: All real property disposal actions require approval by resolution of the BOCC. The exception to this are tax certificates on foreclosed properties. Real property assets may be disposed by the following methods:

1. Sold at public auction: The auction shall be advertised as a legal notice once weekly for at least two weeks in the County newspaper of record, the advertisement to include at a minimum a general description of assets, date, time and location of auction, contact information and website link to auction details.
2. Sold through other advertisement: When a public auction is deemed not practical or to not provide the maximum return for the property. Other advertisement includes the use of a real estate agent or on-line services.
3. Donated to a local government or service agency: There may be cases where it is in the public's and County government's mutual best interest for the County to donate real property to a local agency, such as to an affordable housing agency or the Fire Protection District for a new firehouse. Typically in these cases, the donation will enable another agency to take over or share the cost of services previously solely provided by the County.
4. Land trades: Federal agencies, such as the USDA Forest Service, commonly engage in land trades for mutually beneficial purposes. The County may also engage in a land trade when it is in the County government's and public's best interest to do so.

Prior to any real property disposal action, an appraisal of the property to be disposed of must be conducted to determine current market value. More than one appraisal may be solicited if deemed appropriate by the County Manager and Finance Director.

7:3 Infrastructure Assets

- A. County infrastructure assets consist of long lived resources, having a value in excess of \$5,000 and a life expectancy in excess of five (5) years. The Government Accounting Standards Board (GASB) Rule 34 requires all local governments to submit an annual accounting report for all infrastructure assets, such as roads, bridges and culverts. This report requires designation of original value, age, and depreciation for each item. It is the responsibility of the Finance Department to maintain a current inventory of all infrastructure assets and to provide an annual report.

As part of the GASB 34 inventory, the Finance Department shall assign each item with a unique identifier, either through the use of an asset tag, detailed description or other feasible means.

- B. Special Conditions: Due to the nature of this asset type, the process of procurement or disposal of such must be discerned on a case-by-case basis; however, all Sections and Parts of this Procurement Policy shall apply as appropriate.

Section 8 – Other Matters

8:1 Office Policies and Employee Expenses

- A. Regular coffee and tea for staff and public may be purchased with County funds.
- B. The County may pay 100% of employees' professional organization dues. No restrictions pertain to professional organizations that directly relate to an individual's job duties (for example, National Association of Counties, National Sheriff's Association, Colorado Counties, Inc.), but the BOCC reserves the right to set budget limits for professional organization dues.
- C. Employees should not order personal items on county accounts. The County and is exempt from sales tax and receives special discounts to which individual persons are not entitled.
- D. The County does not pay for liquor purchases, except in specific situations within the Sheriff's Office. This includes all alcoholic drinks with meals. If an employee purchases alcohol and charges it to the County, they must reimburse the County for these expenses.

8:2 County Issued Vehicle

- A. If an employee has been provided a County Vehicle as a benefit for working for the County, use of that vehicle for purposes other than business will be reported on their IRS W-2 form. If the employee drives the vehicle for personal reasons, there is a taxable benefit that has to be calculated and included in his or her income. Any employee issued a County Vehicle will be required to maintain a mileage log and report to the Finance Department monthly with total business and personal miles in the period.
- B. Personal driving includes vacation trips, driving to conduct personal activities and travel between home and a regular place of employment. A regular place of employment is any location where the employee regularly reports for work or performs the duties of employment. In this case, "regular" means there is some degree of frequency or repetition in the employee's reporting to that particular location in a given pay period, month, or year. This "place" does not have to be a County facility.
- C. Depending on the circumstances, an employee may have more than one location where he or she regularly reports for work. If an employee has multiple regular work locations and travels between home and several work locations during the day, only the trip from the employee's home to the first work location or, the trip from the last work location to home is considered to be personal driving. Any travel by the employee between work locations is business related.

8:3 County Inventory

- A. Each department will be responsible for maintaining an inventory of all County owned assets within their department. The Finance Department will determine the method to track inventory and will keep a master list of all county items. Inventory of all County owned assets will be updated periodically.

- B. Individual items of office fixtures, equipment, vehicles and building improvements costing more than \$5,000 should be coded and charged to capital outlay accounts in all funds. Such purchases should be budgeted in the capital outlay accounts of departments' detail budgets.
- C. The Finance Department will coordinate with departments for the annual physical inventory of general fixed assets.

8:4 Formal Financial Record & Reports

- A. After every month-end, the Finance Department will produce budget variance reports for each department. All transactions incurred during the month will appear in the month-end reports. Individual charges and revenue items appear in the detail of the budget report. Department Directors must closely review these reports to monitor financial performance in relation to budget.
- B. All journal entries produced by the Finance Department will be verified by a second employee for accuracy and initialed after review.
- C. Routine documents released by the Finance Department include the following.
 - 1. Budget Variance Reports: Released after the previous month close and reconciliation; provided to each department, BOCC and posted on the County website.
 - 2. Payment for Publication: Released monthly within 30 days following the end of the period for which it was made; printed by public notice in the County designated newspaper of record and posted on the County website.
 - 3. Salary Publication: Released semi-annually according to statute in August for the previous June and in February for the gross salary paid in the prior calendar year; printed by public notice in the County newspaper of record.
 - 4. Draft Budget: Released periodically as updates are made throughout the budget season, typically September – December; provided to Director, BOCC and posted as a draft on the County website.
 - 5. Adopted Budget: Released in final form after acceptance by the BOCC; provided to the public in final form via the County website after formal adoption.
 - 6. Annual Audit Report: Released to the BOCC statutorily by June 30 for acceptance by the BOCC. Published to the County website after acceptance of the BOCC and formally submitted by statute to the State of Colorado by July 31.

Section 9 – Grant Policies and Administration

9:1 Fiscal Review

- A. All grants being considered by any department are subject to the following evaluation:
 - 1. Prior to applying for a grant where there are Fiscal Impact(s), the requesting Department shall assure that the County can meet the required obligations.
 - 2. All Departments are required to complete a Grant Processing Request Form, see Exhibit H. Grant application cannot be completed without the signature of the County Manager on this form. The County Manager and/or BOCC, in their sole discretion, may place restrictions on the grant application or acceptance process.

9:2 Application Approval

- A. If the grant application or grant terms require execution or approval by the BOCC, the resolution shall be prepared for BOCC approval on their consent agenda at a future BOCC meeting. If given direction from the County Manger, the resolution may include submission of the application and acceptance of the grant terms and agreement if the grant is awarded, as well as direction to proceed with applicable budget supplemental appropriations.
- B. All documents associated with the grant including the application, contract and any other document(s) shall be executed by the County Manager, except where the grant conditions require execution at a level other than that. If the grant application or grant terms do not require execution or approval by the BOCC, a BOCC resolution is not required.

9:3 Compliance with Grant Requirements

- A. The Finance Department and/or designated employee must safeguard protected personally identifiable information and other sensitive information. The appointed designee shall maintain all records and provide a copy of all documentation to the Finance Department in a timely manner.
- B. If any fixed assets are purchased with grant funds, the appointed designee shall notify the Finance Department for capital asset recording.

9:4 Federal and State Grants

- A. Grant managers of Federal grants must comply with all applicable provisions of 2 CFR 200.
- B. If relocation costs of an employee are included in a grant, the grant manager must comply with 2 CFR 200.464.
- C. Grant managers shall comply with 2 CFR 200 Subpart E Cost Principles and the Intergovernmental Revenue, Grants and Cooperative Agreements Procedure.
- D. Grant managers shall comply with 2 CFR 200 Subpart E Cost Principles and the Intergovernmental Revenue, Grants and Cooperative Agreements Procedure. For Federal and State grants, financial records, supporting documents, statistical

records, and all other non-federal entity records pertinent to the grant award must be retained for a period of three (3) years from closeout, or the length of time specified in the grant agreement, or until all litigation, claims or audit findings involving the records have been resolved and final action taken.

- E. Advance payments must be kept in an interest bearing account per 2 CFR 200. If advance payments are received, the Department designee must develop written procedures to monitor and remit the interest earned. These procedures must be approved by the County Manger.

9:5 Ongoing Monitoring of Grant Procedures and Controls

- A. Elbert County will provide for ongoing monitoring of the procedures and key controls in regard to federal awards. The monitoring will include providing for periodic risk assessments during periods of change and other established intervals.
- B. Elbert County recognizes that the following periods of change can affect procedures and controls developed for administration and expenditure and federal awards:
 - 1. Reorganizations within or between Elbert County departments: Changes in key personnel involved in the performance or review of financial or statistical information
 - 2. Regulatory changes affecting services provided to eligible clients or federal programs
 - 3. New or revamped information systems and other uses of technology
 - 4. Rapid growth or expansion of services

In order to provide ongoing monitoring of the procedures and key controls over federal awards, the following procedures will be completed:

A risk assessment will be completed when any of the above “periods of change” occur. Procedures and controls will be implemented to respond to any risks noted during the risk assessment.

Each year Elbert County will complete a desk review of procedures and key controls over federal programs. The review will be completed by persons independent of the administration of the applicable federal program. Risks and weaknesses noted during the desk review will be followed up with the applicable department and program personnel. Corrective action will be taken as necessary.

Section 10 – Budget

10:1 Authority

- A. The BOCC shall adopt an annual budget approving the use of public funds for the operation of the County.
- B. The BOCC shall review the proposed budget, consider public comments received and may revise or alter the budget as deemed appropriate prior to adoption.
- C. The BOCC will approve the total number of full-time equivalent (FTE) positions, which includes all positions other than those classified as temporary as defined in the Employee Handbook.
- D. The Finance Department in conjunction with the Budget Officer appointed by the BOCC shall develop, prepare, amend and audit the County's annual budget in compliance with Local Government Budget Law of Colorado as outlined in Colorado Revised Statutes (C.R.S) Title 29, Article 1 as well as with generally accepting accounting principles (GAAP)

10:2 Funds

The proposed budget shall be balanced by fund, meaning that the recommended appropriations do not exceed the combined total of estimated revenues and unreserved fund balance for each of the County's individual funds that are subject to appropriations.

10:3 Budget Appropriation and Compliance

- A. The level of budgetary control for the County is at the fund level. No spending agency shall expend, or contract to expend, amounts in excess of the funds appropriated by the BOCC at the time the budget is adopted.
- B. Administratively, operating budgets shall be controlled at the department level with departments having the authority to transfer appropriations within a department without further formal legislative action.
- C. Unencumbered and unexpended appropriations shall lapse at year end.

10:4 Budget Calendar

- A. At the beginning of each calendar year the Budget Officer shall create a calendar of all statutory deadlines as well as target dates of completion for all budgetary duties. Elbert County operates on a calendar budget year.
- B. The Budget Officer will be responsible for updating the calendar as necessary, posting the calendar to the website as well as notifying all County departments when the schedule has changed.

10:5 Budget Preparation

- A. Elected Officials and Director shall submit budget requests for the upcoming fiscal year in accordance with budget instructions prepared and distributed by the Finance Department by the specified date established in the budget calendar.
- B. Upon review and input of these submissions, the County Budget Officer in

conjunction with the Finance Department shall prepare a proposed budget for submission to the BOCC.

- C. Upon receipt of the proposed budget, the BOCC shall publish a single notice containing all required information as outlined in Colorado Revised Statutes (C.R.S) Title 29; Article 1.

10:6 Budget Adoption

Budgets are adopted on a basis consistent with Colorado Revised Statutes (C.R.S) Title 29: Article 1.

10:7 Budget Amendments

- A. There are three methods available to modify or amend the budget as adopted by the BOCC:
1. Budget Transfer: A budget transfer moves appropriated budget dollars within a spending agency or between spending agencies within the same fund. Budget transfers may not be used to move appropriations between funds nor may it be used to increase the level of appropriation of any given fund. All departments requesting budget modifications will be required to fill out the Budget Modification Form, see Exhibit J.
 2. Supplemental Appropriation: A supplemental appropriation increases the total amount of appropriated expenditures for any given fund. These additional expenditures may be offset by unanticipated revenues or may be offset by the appropriation of available unreserved fund balance. A supplemental appropriation must be approved by the BOCC at a public meeting for which a prior public notice has been published informing citizens that an increase in appropriations over and above the adopted budget is being considered.
 3. Revised appropriation: A revised appropriation may occur when revenues are lower than anticipated. A revised (downward) appropriation reduces the total amount of expenditures as compared to the original budget. A revised appropriation must be approved by the BOCC in accordance with CRS 29-1-108.
 - 4.
- B. Any department requesting funds for an unbudgeted item will be required to complete the Unfunded Budget Request Form. These requests will be evaluated by Finance and Administration staff quarterly.
- C. Reservation of Authority: These policies replace and supersede any previous County Finance Policies and any Resolutions or portions thereof inconsistent with this approved document. The Board of County Commissioners reserves the right to alter, amend, add to or revoke all or part of these policies at any time.

Section 11 – Emergency and Disaster Finance

11:1 Purpose

The purpose of this policy is to ensure the proper and efficient process of specific governmental functions relating to the procurement transactions, contracts, credit card limits and approval authority for allocation of funds when required during emergency or disaster situations as defined by the Colorado Disaster Emergency Act of 1992, (Part 21 of Article 32, Title 24 of the Colorado Revised Statutes, 1996 as amended).

11:2 Delegation of Procurement

An emergency or disaster may create an immediate and serious need for supplies, equipment, materials, and services that cannot be met through normal procurement methods and the lack of which would threaten the function of County government, or the health, safety or welfare of County residents. A need for an emergency procurement shall waive all existing procurement requirements and shall be limited only to the quantity of those supplies, equipment, materials, or services necessary to meet the emergency/disaster. All emergency procurement shall be made with as much transparency and competitive bid process that is practical under the circumstances.

11:3 Contracts

An emergency or disaster may create the immediate need for contracted services or other resources that cannot meet all the requirements of the County's Contract Policy. Under these circumstances, the inability to have a contract or agreement would threaten the operation of County government, or the health, safety and welfare of County residents. The County's normal Contract Policy requires that contracts and agreements receive legal and fiscal review and approval prior to execution. This would still apply to the extent possible, but could be waived if critical to ensure the success of the management of the emergency/disaster incident.

11:4 Credit Cards

When requested during an emergency/disaster incident, the County Manager may increase the credit card limit for designated employees.

11:5 Employee Overtime/Wage Compensation

In the event of an emergency or disaster in or near the County, all County employees are expected to make every effort to be available to assist the County Manager, Elected Officials and Department Directors ensure the continued operation of any and all necessary County functions. This may mean being available to perform additional duties and hours beyond what is normally required. In the event that an employee does work more than 40 hours a week in support of County operations during an emergency, or are otherwise eligible, then they may receive overtime or other appropriate compensation in accordance with existing County policies.

11:6 Authorization of Spending

A. Under normal operations, the spending levels of authority apply to commitments made per vendor are:

1. Up to and including \$10,000 may be approved by Elected Official or Department Director
 2. Up to and including \$200,000 may be approved by County Manager or County Attorney
 3. Over \$200,000 must be approved by the Board of County Commissioners at a public hearing.
- B. When it becomes necessary to utilize emergency funds, approval authority shall be as follows: In accordance with the Emergency Operations Plan, authorizes, in the absence of the County Manager, then the Sheriff, and then the Director of Public Works, in that successive order, will have access to the emergency funds up to and including \$200,000 that apply to commitments made per vendor during the emergency/disaster period.
- C. In accordance with the Emergency Operations Plan, the County Manager is authorized, in the absence of the BOCC, to act with the full authority of the BOCC during a State of Emergency and/or Local Disaster.
- D. Resources shall be ordered in accordance with appropriate channels to ensure tracking by Finance.
- E. The appropriation of emergency funds from fund balance requires approval through a supplemental budget at a public meeting that is noticed in the local paper. During an emergency/disaster funding can be obtained from non-restricted appropriated operating and/or capital funds until the supplemental budget can be approved at which time these operating or capital funds can be repaid with emergency funds.
- F. TABOR Emergency Reserves are to be used “for declared emergencies only”. “Emergency” for using TABOR emergency reserves shall be strictly limited as defined herein. TABOR Emergency Reserves should be repaid whenever possible within the year. The County should use funds in a sequence that leaves utilizing the TABOR Emergency Reserve as a last resort after exhausting other available funds.