

County of Luzerne

Purchasing and Acquisition Code

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Section 801- Procurement Authority

All procurement authority for Luzerne County government operations derives from the Home Rule Charter. All County procurement policy is either established by, or approved by the County Council. Certain procurement authorities have been delegated to the County Manager. The primary delegations and re-delegations of authority relating to initial award of contracts or other agreements are set forth in the Purchasing and Acquisition Procedures. Other procurement-related delegations of authority from the County Manager and associated re-delegations from the County Manager, such as those related to contract modifications and emergency, limited competition, or unauthorized purchases, are also set forth in the Purchasing and Acquisition Procedures.

Any contract award authority not specifically delegated in the Purchasing and Acquisition Procedures, or by other County regulation or statute, remains within the sole authority of the County Council. It is specifically noted that delegation does not apply to contracts involved in the lease or purchase of real property and shall remain with the County Council.

Section 802 – Procurement Guidelines

That procurement actions are conducted on the basis of full and open competition to the greatest degree possible, with award being made to:

- the low responsive responsible bidder under Invitations to Bid

- the best value proposer under Requests for Proposals

- the highest ranked technical proposer(s) with which a fair and reasonable price was subsequently negotiated under solicitations that do not involve pricing as an initial competitive selection factor.

That all specifications or statements of work included in County procurement actions accurately describe the essential needs of the County, and contain no artificial or arbitrary requirements that limit competition or increase cost.

That each procurement action is conducted in accordance with the best interests of the County, and with the highest level of integrity and fairness to all involved parties throughout the acquisition cycle.

That all County procurement operations be conducted in full compliance with the Luzerne County Ethics Code.

Section 803 - Procurement Organization

Within one (1) year of the effective date of the Purchasing and Acquisition Code, the Division of Administrative Services shall have in place an Office of Procurement Services (OPS). The Luzerne County Office of Procurement Services has the authority and responsibility to contract for authorized supplies and services and issue and maintain procurement procedures and guidelines pertaining to the County's procurement operations. It is also an OPS responsibility to issue solicitations and complete the award process (at the threshold levels established within the Purchasing and Acquisition Procedures) on behalf of County departments. The primary OPS goal is to ensure the

County receives the goods and services it requires in a timely and cost-effective manner while maintaining full compliance with established procurement policy.

The procurement actions apply equally to revenue expenditure and revenue producing purchases.

Section 804 - User Agency Responsibility

The primary user department for any specific purchase is ultimately responsible for the preparation and review of any technical specifications, statement of work, or other technical description of the goods or services to be purchased. OPS will provide appropriate assistance in this regard, especially in support of advance acquisition planning as discussed in the Purchasing and Acquisition Procedures. The primary user department, either independently or in conjunction with other departments, is also responsible for providing technical review and evaluation of vendor responses to solicitations in the manner, time frame, and degree specified for the specific purchase.

To obtain the best value for the taxpayer and to promote integrity throughout the acquisition cycle, OPS is mandated to utilize a competitive solicitation process, with the award being made to the low responsive responsible bidder, or best value proposer. Procedures intended to implement this mandate are set forth in the Purchasing and Acquisition Procedures, as are exceptions to the use of full and open competition when such action is determined to be in the best interest of the County.

All County purchases shall be made in compliance with the policies and procedures set forth in the Purchasing and Acquisition Procedures. No person may make any purchase utilizing County controlled funds unless specifically authorized to do so by established County policy, procedure, or other directive from the County Council or the County Manager.

Section 805 - Requisitions and Statements of Work

When there is a need for goods and/or services which are not available from any existing County Indefinite Delivery/Indefinite Quantity ¹(IDIQ) agreement and which exceed the established small purchase dollar limitation set forth in the Purchasing and Acquisition Procedures, a requisition must be submitted to OPS along with a sufficiently detailed description of the goods or services to be procured. User department personnel should evaluate the need for goods and services, determine expected usage, and plan their purchases to effectively meet program and operational demands.

Preparation of work descriptions such as specifications or scopes of work is primarily the responsibility of user departments. OPS will assist in this function upon request. Specifications and/or Scope of Work documentation should state the specific requirements in terms of function, performance or design. The use of product specifications or a detailed scope of work to describe the goods or services to be provided is to be based on the user department's requirements. The use of performance-based specifications or work statements should be used to the broadest extent possible and is considered preferable to the use of design-based specifications and/or scopes of work as they generally increase the potential for full and open competition.

A clear, concise, and accurate statement of work that is devoid of elements proprietary or unique to a single vendor is the most important single contributor to an effective competitive procurement action. User departments are encouraged to exert their best efforts in this regard.

Section 806 - Negotiated Acquisition

Negotiated acquisition procedures allow for award decisions to be made based on a "best value" basis by consideration of several factors including price. The less definitive the requirement, the more development work required, or the greater the performance risk, the more technical or past performance considerations may play a dominant role in source selection.

¹ Indefinite delivery/indefinite quantity (IDIQ) contracts provide for an indefinite quantity of services during a fixed period of time. IDIQs help streamline the contract process and speed service delivery.

This process involves a wide range of procedures that are unique to that process. The Purchasing and Acquisition Procedures describes those unique processes, and is intended to provide sufficient detail on these processes to enable user departments and the general vendor community to be fully aware of their respective roles in the negotiated acquisition process.

Section 807 - Limited Competition

It is the policy of Luzerne County to purchase its goods and services through a full open and competitive process. However, when competition is not available or when it is determined in the best interest of the county to utilize other than full and open competition, execution of purchases on a sole source², restricted source, or emergency basis may be authorized. Specific guidance on emergency actions is contained in a separate section of the Purchasing and Acquisition Procedures. The Purchasing and Acquisition Procedures provide requirements for sole and restricted source procurement activity.

One of OPS's primary goals is to foster full and open competition in the acquisition of goods and services for the County departments. The County Manager (or designee) will serve as the County's Competition Advocate in this regard. The Competition Advocate will review all sole or restricted source recommendations to determine the appropriate acquisition approach after researching the availability of alternative sources of supply. The Competition Advocate will work closely with user departments to ensure that work requirements are expressed in terms of performance or functionality whenever practical.

Section - 808 Unauthorized Purchases or Commitments

Unauthorized purchases or commitments are obligations of government funds that have been completed outside of the authority and procedures set forth in this code or the Purchasing and Acquisition Procedures. All department directors shall take appropriate measures to ensure that such incidents do not occur. Any unauthorized purchase or commitment, regardless of dollar value, will be reviewed by the County Manager (or designee) on a case-by-case basis. This review will require the preparation of a memo to the County Manager from the department director responsible for the unauthorized

² Reference Luzerne County Home Rule Charter Section 5.11—Emergency Appropriations

purchase. This memo shall state why and how the purchase was made, and describe actions that will prevent a recurrence of the unauthorized purchase or commitment. The memo will be routed through the OPS director who is responsible for making a recommendation for disposition of the unauthorized purchase or commitment based on the specific issues involved. Unauthorized purchases or commitments may result in disciplinary action as defined in the table of offenses and penalties.

Section 809 - Bonds and Insurance

The County may require a bid, performance and payment bond from the vendor selected for contract award in such an amount as may be deemed reasonably necessary to protect the best interest of the County. Specific agreements may contain other types of bonding requirements. Specific guidance in this regard is to be included in the solicitation and as set forth in the Purchasing and Acquisition Procedures.

The County may require insurance coverage from the vendor selected for award as may be deemed reasonably necessary to protect the best interest of the County. The insurance coverage shall be in the form and amount(s) as required by the bid solicitation and set forth in the Purchasing and Acquisition Procedures.

Section 810 – Right to Audit

Luzerne County Government, in accordance with General Accounting Practices, reserves the right to perform an audit of all books and records of vendors as they may relate to the performance of their contract with the government. All contracts with public or private vendors, outside contractors, subcontractors, or other entities receiving County funds to provide goods or services to the County shall contain a “right-to-audit” clause.

The “right-to-audit” clause shall require the vendor to maintain accurate records at all times and retain all documentation supporting claims/invoices under their contract for a period of seven years (7) after receipt of the final payment under their contract. Luzerne County Government shall have the right to copy, at its own expense, any record related to the services performed pursuant to the agreement.