

7) PURCHASING POLICY

AR 07-07, updated 2017-01

a) GENERAL PROVISIONS

i) PURPOSE

This policy is designed to outline the purchasing policies of Butler County. Efforts have been made to ensure that this policy is easy to use and meets all of the standards set forth in the Kansas statutes. It is intended to ensure fair and equitable treatment of all vendors and citizens of Butler County and to provide an efficient and economical use of Butler County funds.

General purchasing guidelines are:

- (1) County employees shall seek the best value when purchasing on behalf of the county. In order to ensure the best value, price checks are encouraged and staff is encouraged to document those price checks.
- (2) It is the responsibility of every county employee to ensure that purchases are in the interest of and for the betterment of the county, and are for legal and appropriate county business.
- (3) Employees are expected to exercise reasonable judgment to minimize costs by exercising the same care in incurring expenses that a prudent person would exercise in conducting personal business.
- (4) Vendors can expect fair and equitable treatment from the county.

ii) APPLICATION AND WAIVERS

This policy shall apply to all expenditures using Butler County funds, whether such funds are budgeted or not, and includes grant funds. However, services or goods procured, in whole or part, with Federal/State funds are subject to the requirements/restrictions of the funding sources even if such requirements/restrictions vary from this policy. See Section f) STATE AND FEDERAL REQUIREMENTS for more information. The Board of County Commissioners, by majority vote, may waive the use of this policy when the Board deems it to be in the best interest of the county to do so, as long as the waiver does not contravene any Kansas statute.

iii) PURCHASES NOT SUBJECT TO PURCHASING REQUIREMENTS

Some categories of expenditures cannot be competitively purchased and therefore, are exempt from certain aspects of the purchasing requirements, regardless of dollar threshold amount.

These categories are outlined below;

- (1) Utility payments (total exemption unless multiple vendors are available).
- (2) Bulk fuel, oil, postage and aggregates (exempt from purchasing procedures for items greater than \$8,000, but should instead use purchasing procedures for next lowest dollar increment).
- (3) Maintenance agreements and/or contracts approved by the county commission.
- (4) Any other category of expenditure as declared by the county commission.

iv) RESPONSIBILITIES AND RECORDS

It shall be the responsibility of the Finance Director to oversee the application of this policy. Additionally, the Finance Director shall be responsible for maintaining inventory records of all fixed assets of Butler County. Unless this policy provides that records be maintained longer, all records related to purchasing shall be maintained consistent with K.S.A. 45-401 et. seq, the

Public Records Preservation Act, and amendments thereto, and any Records Retention and Disposition Schedules created by the State Records Board. For example:

- (1) Documents related to request for proposals, bids, quotations, or estimates shall be retained for 5 fiscal years.
- (2) Records related to construction projects, such as correspondence, bids, specifications, plans, drawings, reports, and notes shall be retained permanently.
- (3) Contracts, including all associated documents, shall be retained until 5 calendar years after expiration of the contract.
- (4) Copies of forms and supporting documents used to remove capital equipment from office inventory shall be retained for 3 fiscal years.
- (5) Records concerning purchases from specific vendors, such as invoices, correspondence, and vouchers shall be retained for 5 fiscal years.
- (6) The Kansas Local Records Management Manual, which contains the current Local Records General Retention and Disposition Schedule, is currently located on the Kansas Historical Society web-site.

Department Heads (including Elected Officials) shall ensure that all acquisitions made by their staff conform to the guidelines established by this policy and State law. Staff shall provide assistance in the purchasing process where appropriate, including, but not limited to, specification development and negotiations. All final contracts and purchasing documentation must be forwarded to the Administration Department for record keeping.

v) PUBLIC RECORDS

Purchasing documents are public records to the extent provided in the Kansas Open Records Act, K.S.A. 45-215 et seq. and amendments thereto. Several exceptions to the Kansas Open Records Act, as listed in K.S.A. 45-221(a), are relevant to the purchasing process, such as:

- (1) Specifications for competitive bidding, until the specifications are officially approved.
- (2) Engineering and architectural estimates made by or for any public agency relative to public improvements.
- (3) Financial information submitted by contractors in qualifications statements. Fees for providing access to and copies of such documents shall be charged in accordance with the fee policies established by the Board of County Commissioners.

b) DEFINITIONS

The words defined in this Section shall have the meanings set forth below whenever they appear in this manual:

Bid: an offer, as a price, for payment or acceptance. A bid can either be an offer to the County by a vendor or a buyer.

Bid Security: a guarantee, in the form of a bond or deposit, that the bidder, if selected, will sign the contract as bid; otherwise the bidder (in the case of a deposit) or the bidder or their guarantor (in the case of a bond) will be liable for the amount of the bond or deposit.

Change Order: a written order signed by the Finance Director or designee, directing the contractor to make changes in the contract.

Commodity: a tangible good.

Cooperative or State Contract: a contract established through a bidding process that allows multiple governmental agencies to utilize the pricing.

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. It does not include the routine operation, routine repair, or routine maintenance of existing structures, buildings or real property.

Contract: an agreement between the County and one or more persons/businesses by which the other persons/businesses agree to provide, in exchange for consideration, any type of property, whether tangible or intangible, services or any other benefit to or for the County.

Contract Modification: 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 original contract.

Contractor: any person/business having a contract with the County.

Department: any office or department having a county budget and that utilizes any supplies, services or construction purchased under this manual.

Department Head: the manager, whether elected or appointment, in charge of a department.

Emergency Purchase: the purchase of supplies, services, and/or construction where the urgency of need does not permit the delay in utilizing formal competitive selection methods.

Employee: any individual receiving a County paycheck, such paycheck being a result of either appointment or election to a County position.

Extensions to Contracts: An addendum to a contract for an incidental service or commodity not anticipated or necessary to the original purchase.

May: denotes the permissive.

On-line Service: an internet service designed to provide notification to qualified vendors of appropriate formal bids/proposals requests.

Professional Services: Professionals services refers to the sourcing and purchase of services from providers such as architects, accountants, lawyers, consultants, etc.

Purchasing: buying, renting, leasing, or otherwise acquiring any supplies, services, and/or construction. It also includes all functions that pertain to the obtaining of any supply, service, and/or construction, including description of requirements, selection and solicitation of vendors, preparation and award of contract, and all phases of contract administration.

Purchase Description: the words used in a solicitation to describe the supplies, services, and/or construction to be purchased, and include specifications attached to, or made a part of, the solicitation.

Purchase Requisition: a notification to Administration issued by a Department requesting that a contract be entered into for a specified need. Such notification may include, but is not limited to, the technical description of the requested time, delivery schedule, and criteria for evaluation, suggested vendors, and information supplied for the making of any written determination required by this policy.

Purchasing Card: a method of payment with limits determined by the Finance Director and Department Head. Such payments must be compliant with the Butler County Purchasing Policy and Purchasing Card Policy.

Qualified Vendor: any vendor who has not been debarred or suspended from County consideration by the Board of County Commissioners within the past three (3) years.

Competitive Quote/Informal Bids: an informal offer or bid containing price and other terms made by a vendor via writing (paper, email, fax), off a website or verbally.

Request for Sealed Proposals: all documents, whether attached or incorporated by reference, utilized for soliciting proposals.

Request for Qualifications: a documented process to narrow the selection of qualified vendors to respond to a solicitation of a bid/proposal, or to determine a list of qualified consultants that can be accessed as needed.

Request for Sealed Bids: all documents, whether attached or incorporated by reference, utilized for soliciting bids.

Responsible Bidder: a person/business who has the capability in all respects to perform fully the contract requirements, and the tenacity, perseverance, experience, integrity, reliability, capacity, facilities, equipment, and credit which will assure good faith performance.

Responsive Bidder: a person/business who has submitted a bid that conforms in all material respects to the Request for Bids/Proposals.

Services: the furnishing of labor, time, and/or effort by a vendor.

Shall: denotes the imperative.

Sole Source of Supply: there is only one source for the required supply, service, or construction item due to uniqueness of the product, quality or performance of the item, or need to maintain uniformity with past purchases.

Specification: any description of the physical or functional characteristics, or of 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.

Supplies: all property, including but not limited to equipment, materials, printing, insurance, and leases of real property, excluding land or a permanent interest in land.

Surplus: any supplies no longer having any use to the County. This includes obsolete supplies, scrap materials, and nonexpendable supplies that have completed their useful life cycle.

Vendor: a seller of commodities and/or services.

Vendor List: a list of qualified vendors established and maintained through the County for any party interested in doing business with the County.

c) PURCHASING PROCEDURES

i) PETTY CASH FUNDS

Petty cash funds of \$25.00 or less may be established by the Department Head for the purchase of miscellaneous small items. Petty cash funds greater than \$25.00 must be established by Resolution of the Board of County Commissioners. Receipts of expenditures must be submitted when requesting replenishment of petty cash funds.

ii) CHANGE FUNDS

Departments may keep cash on hand for the sole purpose of making change for cash transactions. Such funds must be identified and kept separate from other cash, and may not be in an amount in excess of \$500.00, except for the Treasurer's Office, which may not be in an amount in excess of \$2,500.00.

iii) PURCHASING CARDS (P-CARDS)

The use of P-Cards for purchases is encouraged wherever possible. Employees to whom P-Cards are assigned must sign the Purchasing Card Cardholder Agreement and the county's Purchasing Policy. The Finance Director is responsible for the oversight of Purchasing Cards, including establishment of limits and types of purchases authorized. See the PURCHASING CARD POLICY on page 47.

iv) VENDOR SELECTION

The selection of vendors shall be based upon the following rules and parameters. The procedures for higher dollar purchases (more restrictive) may be used on lower dollar purchases as deemed appropriate by the purchasing department or Finance Director.

(1) Purchasing Authority

Expenditure Amount	Final Purchasing Authority
\$0 to \$5,000	Department Director
Over \$5,000 to \$8,000	County Administrator/Finance Director
Over \$8,000	Governing Body

(2) Contracts and Supplies (excluding professional services)

Purchase Range	Vendor Selection	Authorization/ Required Documents
\$0 to \$2,500	<ol style="list-style-type: none"> 1) Department criteria 2) Price checks encouraged 	<p>Authorization:</p> <ol style="list-style-type: none"> 1) Department head purchase approval <p>Required Documents:</p> <ol style="list-style-type: none"> 1) Non required, but vendor selection documentation is encouraged
Over \$2,500 to \$5,000	<ol style="list-style-type: none"> 1) Solicitation through competitive quotes 2) Cooperative or state contract 3) Sole source 	<p>Authorization:</p> <ol style="list-style-type: none"> 1) Department head purchase approval <p>Required Documents:</p> <ol style="list-style-type: none"> 1) Documentation of vendor selection 2) Any contracts
Over \$5,000 to \$8,000	<ol style="list-style-type: none"> 1) Solicitation through competitive quotes 2) Cooperative or state contract 3) Sole source 	<p>Authorization:</p> <ol style="list-style-type: none"> 1) County Administrator or FN Director pre-purchase approval 2) Department head purchase approval <p>Required Documents:</p> <ol style="list-style-type: none"> 1) Documentation of vendor selection 2) Any contracts
Over \$8,000	<ol style="list-style-type: none"> 1) Formal bids and/or Requests for Qualifications or Proposals 2) Cooperative or state contract 3) Sole source 	<p>Authorization:</p> <ol style="list-style-type: none"> 1) County Administrator or FN Director pre-solicitation approval 2) County Commission pre-solicitation and pre-purchase approval 3) Department head purchase approval <p>Required Documents:</p> <ol style="list-style-type: none"> 1) Documentation of vendor selection 2) Any contracts

(3) Professional Service Contracts

Purchase Range	Vendor Selection	Authorization/ Required Documents
\$0 to \$5,000	<ol style="list-style-type: none"> 1) Solicitation through competitive quotes and qualifications 2) Cooperative or state contract 3) Sole source 	<p>Authorization:</p> <ol style="list-style-type: none"> 1) Department head purchase approval <p>Required Documents:</p> <ol style="list-style-type: none"> 1) Non required, but vendor selection documentation is encouraged
Over \$5,000 to \$8,000	<ol style="list-style-type: none"> 1) Solicitation through competitive quotes and qualifications 2) Cooperative or state contract 3) Sole source 	<p>Authorization:</p> <ol style="list-style-type: none"> 1) County Administrator or FN Director pre-purchase approval 2) Department head purchase approval <p>Required Documents:</p> <ol style="list-style-type: none"> 1) Documentation of vendor selection 2) Any contracts
Over \$8,000	<ol style="list-style-type: none"> 1) Formal bids and/or requests for qualifications or proposals 2) Cooperative or state contract 3) Sole source 	<p>Authorization:</p> <ol style="list-style-type: none"> 1) County Administrator or FN Director pre-solicitation approval 2) County Commission pre-solicitation and pre-

		purchase approval 3) Department head purchase approval Required Documents: 1) Documentation of vendor selection 2) Any contracts
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v) PURCHASES SUBJECT TO STATUTORY PROCEDURES.

Except when other provisions of this Policy specifically require stricter or additional standards than required by applicable Kansas statutes, the applicable Kansas statutes shall control. As such, all Kansas statutes governing purchases, including the following, shall be followed (subject to exceptions enumerated by statute in the event of emergency, disaster, hardship, etc.):

(1) Construction of County Buildings.

- (a) All contracts for the expenditure of County funds for the construction of any courthouse, jail or other County building in excess of \$10,000 shall be awarded in accordance with K.S.A. 19-214 et seq, which requires a public letting and award to the lowest and best bid. Notice of the request for bids shall be published in a newspaper designated by the Board of County Commissioners.
- (b) The notice shall specify with reasonable minuteness the character of the improvement contemplated, the time and place at which the contract will be awarded, and invite sealed bids for the same. Plans and specifications of the proposed work shall be available for the inspection of bidders at a County office for at least 30 days prior to the time of awarding the contract.
- (c) The contractor awarded the contract shall give the County a good and sufficient surety bond by a surety company authorized to do business in the State of Kansas, to be approved by the County Counselor, in the amount of the contract, and conditioned upon the faithful performance of the contract.
- (d) Pursuant to K.S.A. 19-214(b), this subsection shall not apply to the expenditure of County funds for professional service, for contracts subject to K.S.A. 68-521 (relating to construction of County roads), or to the purchase of contracts of insurance.

(2) Construction of County Bridges and Culverts.

All contracts for the construction or repair of any County bridge or culvert shall be awarded in accordance with K.S.A. 68-1101 et seq., and any amendments thereto. Among other things, the foregoing statutes provide for the following:

- (a) Possibility of protest petition by 5% of the legally qualified electors of the County if Butler County's share of the expense to build or repair a bridge exceeds \$250,000 (K.S.A. 68-1106);
- (b) Award of contract to lowest responsible bidder after public bidding by sealed bid, however when bidding a lump sum on two or more bridges or culverts, also submit a separate proposal on each of the bridges or culverts; when bids are let for a consolidated project, the board shall accept the lowest lump sum bid for such consolidate project if such lump sum bid is less than the sum of the lowest bid for each separate bridge or culvert included in such consolidated project and may accept the lowest lump sum bid in any other case (K.S.A. 68-1113 and 68-1113a);
- (c) Bid security in the amount of not less than 5% of the bid proposal;
- (d) The contract may not be awarded for more than 110% of the County Engineer's estimated cost or at a higher price than the lowest responsible bid received at the public letting (K.S.A. 68-1115);
- (e) The bidder to whom the contract is awarded must provide a bond to Butler County in a penal sum equal to the amount of the contract price, conditioned upon faithful performance of the contract in a form approved by the County Counselor (K.S.A. 68- 1117);

- (f) Retainage on contracts of no less than 5% (K.S.A. 68-1120); and
 - (g) Determination of the County Counselor that the contract has been awarded in strict compliance with all statutory requirements (K.S.A. 68-1118).
- (3) Construction of County Roads.
- (a) All contracts for construction, surfacing, repairing or maintaining of any County road when the County Engineer's estimated cost is in excess of \$25,000 shall be awarded in accordance with K.S.A. 68-521, which requires a public letting and award to the lowest responsible bidder. Notice of the request for bids shall, at a minimum, be published twenty (20) days prior to such letting, at least twice in a newspaper designated by the Board of County Commissioners.
 - (b) The published notice shall specify with reasonable minuteness the character of the improvement contemplated, where it is located, the kind of material to be used, the hour, date, and place at which the contract will be awarded, when the work is to be completed, and invite sealed proposals for the same. Plans and specifications of the proposed work, which have been approved by the Board of County Commissioners, shall be displayed for the inspection of bidders at a County office for at least twenty (20) days prior to the time of letting the contract. The notice should also provide proposal blanks on which all bids shall be made. Each bid shall be submitted with bid security in the amount of not less than 5% of the bid proposal. No contract shall be let for an amount exceeding the 110% of the County Engineer's estimated cost of the work.
 - (c) The contractor awarded the contract shall give the County a good and sufficient performance bond by a surety company authorized to do business in the State of Kansas, to be approved by the County Counselor, in the amount of the contract and conditioned upon the faithful performance of the contract. The County Counselor shall approve the form of the bond.
- (4) Construction of Roads in Benefit Districts.
- All contracts for improvement of roads in benefit districts shall be awarded in accordance with K.S.A. 68-704, which requires a public letting and award to the lowest responsible bidder. Procedures to follow are similar as those set forth above with respect to County roads generally, except publication of the notice of the request for bids need only be published one time and there is no requirement that the contract price be less than the County Engineer's estimate.

vi) REQUEST FOR QUALIFICATIONS.

A Request for Qualifications (RFQ) may be used to establish a list of qualified consultants or vendors that can be accessed as needed, rather than processing multiple requests for bids/proposals. The process is identical as that for Request for Proposals up to, but excluding, the award of a single contract. Additionally, when the purchase of a commodity and/or service warrants the formal bidding process, the Department Head may elect to issue a Request for Qualifications which will require vendors to be pre-qualified based on the criteria set forth in the RFQ. This process must be pre-approved by the Assistant County Administrator.

vii) COMPETITIVE QUOTES/INFORMAL BIDS.

In situations where competitive quotes/informal bids are required, at least three (3) quotes/bids must be solicited from qualified vendors when possible. Documentation from the competitive quotes/informal bids must be submitted to the Administration Department along with a copy of

the invoice and, if applicable, contract. Written justification, approved by the Finance Director, must be provided if the low bid is not accepted.

viii) FORMAL BIDS/PROPOSALS.

- (1) Publication. Except for purchases not subject to purchasing requirements, all requests for formal bids/proposals shall be placed on the County web site during the period of solicitation. The publication shall include specifications, the deadline for submission, the place and manner of submission, and the date, time and place of opening.
- (2) Formal Bid/Proposal Submission. Formal bids/proposals must be submitted in writing, signed by an authorized representative, and submitted prior to the bid deadline in a sealed envelope or package. Unless otherwise noted in the Request, faxed and email bids/proposals will not be accepted. Bids/proposals submitted after the deadline will not be accepted and will be returned unopened. The County Administrator and/or Finance Director shall have the authority to make exceptions when special circumstances exist; documentation of these circumstances shall be required.
- (3) Bids shall be opened publicly in the presence of the County Commission or the Commission designee at the location and time stated in the Request. The amount of each bid and any other relevant information, together with the name of each bidder, shall be recorded. The record of bids/proposals shall be open to public inspection.
- (4) Proposals shall not be opened publically, but have the responding firm's name recorded publically in the presence of the County Commission or the commission designee at the location and time stated in the request. The proposal's information shall not be made public until after the approval of the award.
- (5) Bids/proposals may be corrected or withdrawn prior to the stated deadline. Requests for all such transactions must be submitted to the Finance Director or designee prior to the deadline. Correction or withdrawal of inadvertently erroneous bids/proposals or proposals after the deadline but before the award, or cancellation of awards or contracts based upon such mistakes, shall be permitted only upon authorization by the County Administrator and/or Finance Director.
- (6) The purchase and/or contract shall be awarded or rejected with reasonable promptness. Written justification must be provided if the recommendation for award is not the lowest bid or proposal.

ix) EMERGENCY PURCHASES

- (1) Emergency Repairs and/or Purchases. The County Administrator and/or Finance Director shall have the authority to authorize emergency repairs and/or purchases in an amount up to \$20,000 without the solicitation of bids/proposals. Prior to the authorization, approval must be received from the Chairman of the Board of County Commissioners; in the event of the absence of the Chair, the approval shall be received from the Vice Chair or other board Member. The County Administrator shall also be responsible for notifying the Board of County Commissioners at the next regularly scheduled County Commission meeting that such an emergency purchase was made.
- (2) Declared Emergency Situations. The County Administrator or his/her designee may make or authorize others to make emergency purchases without monetary limit when there exists a threat to public health, welfare, or safety under declared emergency conditions. Prior to the

authorization, approval must be received from the Chairman of the Board of County Commissioners; in the event of the absence of the Chair, the approval shall be received from the Vice Chair or other board Member. Where possible, such competition as is practical under the circumstances shall be attempted.

x) CONTRACTS

- (1) Length. Contracts for commodities and/or services may be written in such a manner that they are renewable for up to four (4) years.
- (2) Repository. All contracts for commodities and services shall be maintained in the Administration Department for a period of five (5) calendar years after expiration of the contract. Any formal bid documentation must be submitted with the contract.
- (3) Signatures. Signature authority shall be the Board of County Commissioners.

xi) NON-MONETARY AGREEMENTS.

In situations where vendor agreements are necessary but involve no monetary expenditure by the County, the process for competitive quotes/informal bids shall be followed.

xii) EXTENSIONS ON CONTRACTS

Extensions to contracts where the formal bid or the requests for qualifications or proposals process was used, shall be considered on a case by case basis and must be approved by the county commission.

xiii) PURCHASES MANDATED BY LAW

Purchases mandated by law shall be approved through the budgetary process and shall not be subject to the above monetary limitations. The department head shall be responsible for making the purchases within the limitations established by the budget. (e.g.: purchase of chemicals for resale.)

xiv) LEASE AND LEASE/PURCHASE ARRANGEMENTS

Consistent with K.S.A. 10-1116b and 10-1116c, and any amendments thereto, relating to the Kansas Cash Basis Law, when it is in the best interests of the County to lease or lease/purchase goods rather than acquire them, the policies outlined herein shall be applied in the same manner as an acquisition.

d) BONDS & CONTRACT CLAUSES

i) BID SECURITY

- (1) Bid security shall be required when the Board of County Commissioners, County Administrator, or Finance Director deems it appropriate or when required by law. As noted in Section a) iii) PURCHASES NOT SUBJECT TO PURCHASING REQUIREMENTS, K.S.A. 68-521, K.S.A. 68-704, and 68-1114, and amendments thereto, any bidder for the construction of any road, bridge or culvert must provide bid security in an amount of not less than 5% of such bid proposal.
- (2) Bid security shall be a bond provided by a surety company authorized to do business in Kansas, or the equivalent in cash, certified check, cashier's check or otherwise provided in a form satisfactory to the Board of County Commissioners, all payable to the Butler County Treasurer. When bid security is required, noncompliance shall result in rejection of the bid. If a bidder is permitted to withdraw its bid prior to an award (but after opening of bids/proposals), no action shall be held against the bidder or the bid security.

ii) PERFORMANCE BONDS

- (1) A performance bond shall be required when the Board of County Commissioners, County Administrator, or Finance Director deem appropriate and when required by law.
- (2) Kansas law requires a performance bond for construction of any:
 - (a) Public building (K.S.A. 19-214)
 - (b) Bridge or culvert (K.S.A. 68-1117)
 - (c) Any County road (K.S.A. 68-521 and K.S.A. 68-704)
- (3) When a contract is awarded and a performance bond is required, a performance bond or security shall be delivered to the County on the County's designated bond form and shall become binding on the parties upon the execution of the contract. The performance bond shall be conditioned upon the faithful performance of the contract.
- (4) A performance bond satisfactory to the County, executed by a surety company authorized to do business in Kansas or otherwise secured in a manner satisfactory to the County, in an amount determined by the Board of County Commissioners or their designee, except as required by law, including but not limited to the following:
 - (a) Construction of any Public Building. Pursuant to K.S.A. 19-214, and any amendments thereto, the bidder to whom any contract for the construction of any public building shall be awarded shall give a performance bond to the County in a sum equal to the contract price. The County shall not be bound until the County Counselor approves the form of the bond as legal and binding upon both parties by the County Counselor's signature endorsed thereon.
 - (b) Construction or Repair of any Bridge or Culvert. Pursuant to K.S.A. 68-1117, and any amendments thereto, the bidder to whom any contract shall be awarded for the construction or repair of any bridge or culvert shall give a performance bond to the County in a sum equal to the amount of the contract price. The sufficiency of the bond shall be approved by the chairperson of the Board of County Commissioners, but the County shall not be bound until the County Counselor approves the form of the bond as legal and binding upon both parties by the County Counselor's signature endorsed thereon.
 - (c) Construction, Surfacing, Repairing or Maintaining of any County Road. Pursuant to K.S.A. 68-521 and/or K.S.A. 68-704, any amendment thereto, the bidder to whom any contract shall be awarded for constructing, surfacing, repairing or maintaining any County road shall give a performance bond to the County in a sum equal to the amount of the contract price. The sufficiency of the bond shall be approved by the chairperson of the Board of County Commissioners, but the County shall not be bound until the County Counselor approves the form of the bond as legal and binding upon both parties by the County Counselor's signature endorsed thereon.

iii) PAYMENT BONDS

- (1) A payment bond shall be required when the County enters into a contract in any sum exceeding \$50,000 with any bidder for the purpose of making any public improvements, or constructing any public building or making repairs on the same or in other instances that the Board of County Commissioners, County Administrator, or Finance Director deems appropriate and when required by law. The foregoing policy is stricter than required by Kansas statutes. Pursuant to K.S.A. 60-1111, a payment bond is required when the County enters into a contract in any sum exceeding \$100,000 with any bidder for the purpose of making any public improvements, or constructing any public building or making repairs on the same. No exception to or waiver of

this policy shall be made in violation of the requirements of the foregoing statute, and amendments thereto.

- (2) A payment bond shall be a bond to the State of Kansas, provided by a surety company authorized to do business in Kansas or otherwise secured in a manner satisfactory to the County, conditioned that such contractor or the subcontractor of such contractor shall pay all indebtedness incurred for labor furnished, materials, equipment or supplies, used or consumed in connection with the work provided for in the contract. The bond shall be in an amount determined by the Board of County Commissioners or their designee and shall be in the form designated by the County, but shall not be less than the contract price. The payment bond shall be filed with the Clerk of the District Court of Butler County; and a copy of the filing receipt must be submitted to the County.

iv) AUTHORITY OF THE BOARD OF COUNTY COMMISSIONERS

- (1) Nothing in this section shall be construed to limit the authority of the County to require other security in addition to the bonds described above. Unless the Kansas statutes require the bond, the Board of County Commissioners may withdraw the requirements for the bond at any time in the purchasing process.

v) CONTRACT CLAUSES

(1) Mandatory Clauses

Pursuant to K.S.A. 44-1030, and any amendments thereto, unless (i) the bidder to whom any contract shall be awarded employees fewer than four employees or (ii) has contracts with the County that cumulatively total less than \$5,000 during the County's fiscal year, any contract for the construction, alteration or repair of any public building or public work or for the acquisition of materials, equipment, supplies or service shall contain provision by which the contractor agrees that:

- (a) The contractor shall observe the provisions of the Kansas Act against discrimination and shall not discriminate against any person in the performance of work under the present contract because of race, religion, color, sex, disability, national origin or ancestry;
- (b) In all solicitations or advertisements for employees, the contractor shall include the phrases "equal opportunity employer," or a similar phrase to be approved by the commission;
- (c) If the contractor fails to comply with the manner in which the contractor reports to the commission in accordance with the provisions of K.S.A. 44-1031 and amendments thereto, the contractor shall be deemed to have breached the present contract and it may be canceled, terminated or suspended, in whole or in part, by the County; If the contractor is found guilty of a violation of the Kansas act against discrimination under a decision or order of the commission which has become final, the contractor shall be deemed to have breached the present contract and it may be canceled, terminated or suspended, in whole or in part, by the County; and
- (d) The contractor shall include the provisions of this subsection (Mandatory Clauses) in every subcontract or purchase order so that such provisions will be binding upon such subcontractor or vendor.

(2) Discretionary Contract Clauses

The Board of County Commissioners may require the inclusion in County contracts of clauses providing for adjustment in prices, time of performance or other contract provisions, including but not limited to, the following subjects:

- (a) The unilateral right of the County to issue change orders in the work and changes in the time of performance of the contract.
- (b) Variations occurring between estimated quantities of work and actual quantities;
- (c) Suspension of work ordered by the County;
- (d) Site conditions differing from those indicated in the contract, or ordinarily encountered, except that differing site conditions clauses need not be included in negotiated contracts or when the contractor provides the site or design or when the parties have otherwise agreed with respect to the risk of differing site conditions;
- (e) Liquidated damages as appropriate;
- (f) Specified excuses for delay or nonperformance;
- (g) Termination of the contract for default; and,
- (h) Termination of the contract in whole or in part for the convenience of the County.
- (i) Workman's compensation insurance.

e) PROTESTS, SUSPENSION, OR DEBARMENT

i) PROTESTS BY VENDORS

Vendors or potential vendors who do not agree with the conditions, specifications or scope of services or other requirements contained in any procurement, whether by bid or request for proposal, shall be afforded the opportunity to protest the solicitation. Bidders or respondents who do not agree with the County's recommendation for bid or RFP award shall be afforded the opportunity to protest the recommendation.

(1) Submission of Protest.

- (i) Bid or RFP Solicitation. Protests of any bid or RFP solicitation must be submitted in writing to the Finance Director more than 3 business days prior to the closing date and time stated in the bid/RFP documents in order to be considered. No sealed bids shall be opened until protests made pursuant to this Section have been finally decided.
- (ii) Recommendation for bid/RFP award. Bidders or respondents who do not agree with the County's recommendation for bid or RFP award may submit written protest to the Assistant County Administrator, who shall deliver it to the Chair of the Board of County Commissioners. The Board of County Commissioners shall allow for such protest within 3 business days after the award decision. Bids or proposals not meeting the minimum published requirements (including specifications and/or scope of service) are not subject to protest.

(2) Effective Date of Contract. No contract subject to appeal or protest under the PROTESTS, SUSPENSION, OR DEBARMENT section shall become effective or signed on behalf of the County until AFTER the 3-day protest period has expired. If a protest is made by a bidder submitting a bid and meeting the minimum published requirements (including specifications and/or scope of service), the effective date of the award of the contract shall be further delayed until the appeal is heard and finally decided.

- (3) Response to Protest of Bid or RFP Solicitation. The Finance Director shall consider and decide any protest of a vendor or potential vendor who does not agree with the conditions, specifications or scope of services or other requirements contained in any procurement, whether by bid or request for proposal. The written decision of the Finance Director shall be delivered to the protesting vendor. Decisions sent via electronic mail, facsimile, or other electronic communication should be deemed delivered when sent to a representative of the vendor. Decisions sent by U.S. mail shall be deemed delivered two days after deposit in the U.S. Mail, postage prepaid. The vendor may appeal the decision of the Finance Director to the Board of County Commissioners by providing written appeal to the County Administrator, who shall deliver it to the Chair of the Board of County Commissioners. The Finance Director must receive such appeal within 3 business days of delivery of such decision.
- (4) Response to Protest of Contract or Appeal of Bid/RFP Solicitation. The Board of County Commissioners shall consider any protest or appeal in public session, as the decision of the Board of County Commissioners shall be final.

ii) SUSPENSION OR DEBARMENT OF VENDORS

Butler County may suspend or debar a vendor or potential vendor from participation in County purchasing opportunities and practices upon a showing of just cause, and during the period of suspension or debarment, the County shall reject any bid, proposal or other offer by the vendor and shall return any submission to the suspended/debarred vendor. This section applies to both contractors and subcontractors.

- (1) Just Cause for Suspension. Just cause for suspension shall include any of the following:
- (a) Failure to comply. Failure to comply with the conditions, specifications or terms of a bid or proposal or contract with the County including a recent record of unsatisfactory performance in accordance with the terms of one or more contracts.
 - (b) Misrepresentation. Commission of any misrepresentation in connection with a bid or proposal.
 - (c) Criminal Offense. Charged by a court or competent jurisdiction with the commission of 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 contract or subcontract. If charges are dropped or the vendor found not guilty, the suspension shall be lifted automatically upon notification and proof of final court disposition provided to the County by the vendor.
 - (d) Conviction.
 - (i) Conviction under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property or any other offense indicating a lack of business integrity or honesty which currently, directly and seriously affects that vendor's responsibility as a County supplier. If charges are dismissed or the vendor found not guilty, the suspension shall be automatically lifted upon written notification and proof of final court disposition provided to the County by the vendor.
 - (ii) Conviction under state or federal antitrust statutes arising out of the submission of bids or proposals.
 - (e) Insolvency. Vendor becomes insolvent, has proceedings in bankruptcy instituted against it or consolidates its debts or assigns over its estate or affects for payment thereof or has a receiver appointed over its property.

- (f) Other. Any other cause the County Administrator or Finance Director determines to be as serious or compelling as to materially and adversely affect the responsibility of the business as a government contractor, including but not limited to suspension by another government entity for substantial cause.
- (2) Just Cause for Debarment. Just cause for debarment shall include any of the following:
- (a) Failure to Comply. Failure to comply with conditions, specifications, drawings, schedules or terms of a bid, proposal or contract with the County.
 - (b) Conviction.
 - (i) Conviction by or judgment obtained in a court of competent jurisdiction for commission of offenses in connection with the vendor's commercial enterprise. If the conviction is reversed through the appellate process, the debarment shall be immediately lifted upon written notification and proof of final court disposition to the County from the vendor.
 - (ii) Conviction for the commission of any fraud or act of collusion in connection with a bid, quotation, proposal or other act incident to doing business with the County.
 - (c) Federal Debarment List. Inclusion on any Federal debarred vendor list.
- (3) Procedures.
- (a) Investigation. The Finance Director shall promptly investigate and prepare a written report concerning a proposed suspension or debarment. This report shall be forwarded to the County Administrator stating with specificity the facts supporting the request for suspension or debarment.
 - (b) Decision. Within 5 workdays of receipt of the report, the County Administrator may issue a notice of suspension or debarment. The vendor shall be immediately advised by certified mail with return receipt requested. The letter will contain the following specific information:
 - (i) Statement that suspension or debarment has been imposed by the County effective upon receipt.
 - (ii) Detailed information as to the reason and causes for the suspension or debarment in terms sufficient that the vendor will understand the conduct or transactions upon which the action is based.
 - (c) Appeal.
 - (i) The vendor may within 5 workdays of receipt of notice, present a written request for reconsideration including additional information relating to the reason given for suspension or debarment. The Assistant County Administrator, in consultation with the County Counselor, shall consider such additional information in deciding whether the decision to suspend or debar should be delayed or revised. If the original decision to suspend or debar is determined to be proper and justified, the vendor shall be suspended or debarred as planned.
- (4) Duration of Suspension/Debarment.
- (a) Suspension. A vendor may be suspended for a maximum period of 6 months if it is believed to be involved in any of the activities listed in e) PROTESTS, SUSPENSION, OR DEBARMENT ii) (1).
 - (b) Debarment. A vendor may be debarred for a period not to exceed 5 years if after investigation it is found to be engaged in any of the activities listed in Section e) PROTESTS, SUSPENSION, OR DEBARMENT ii) (2).

f) STATE AND FEDERAL REQUIREMENTS

- i) Where a purchase involves the expenditure of federal assistance or contract funds, the Board of County Commissioners, or its designee, shall comply with such federal law and authorized regulations, which are mandatory, applicable and which are not presently reflected in this manual.
- ii) The provisions of this manual are subordinate to any State statutes governing County-purchasing practices.
- iii) Grant fund methods of procurement

The county will use one of the following methods when making purchases using grant funds. The final purchasing authority dollar amount contained in the c) PURCHASING PROCEDURES are applicable.

 - (1) Micro-purchases (purchases of \$1 - \$3,500): Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold. To the extent practicable, the county will distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if it considers the price to be reasonable. Price checks are encouraged)
 - (2) Small Purchases (purchases of \$3,501 - \$150,000): Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold (as of the publication of 2 CFR Part 200, the Simplified Acquisition Threshold is \$150,000 but is periodically adjusted for inflation.) If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.
 - (3) Competitive Proposals (purchases of \$150,001 – and above): The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:
 - (a) Requests for proposals must be publicized the county's web site and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
 - (b) Proposals must be solicited from an adequate number of qualified sources;
 - (c) The county will follow its common method for conducting technical evaluations of the proposals received and for selecting recipients;
 - (d) Contracts will be awarded to the responsible firm whose proposal is most advantageous to the county/program, with price and other factors considered; and
 - (e) The county may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms that are a potential source to perform the proposed effort.
 - (4) Sealed Bids (Formal advertising) (purchases of \$150,001 – and above): Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder

whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the following conditions apply:

- (a) In order for sealed bidding to be feasible, the following conditions should be present:
 - (i) A complete, adequate, and realistic specification or purchase description is available;
 - (ii) Two or more responsible bidders are willing and able to compete effectively for the business; and
 - (iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.
- (b) If sealed bids are used, the following requirements apply:
 - (i) Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids. The invitation for bids must be publically advertised;
 - (ii) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
 - (iii) All bids will be opened at the time and place prescribed in the invitation for bids;
 - (iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
 - (v) Any or all bids may be rejected if there is a sound documented reason.

(5) Noncompetitive Proposals (Sole Source): Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

- (a) The item is available only from a single source; or
- (b) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation; or
- (c) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
- (d) After solicitation of a number of sources, competition is determined inadequate.

iv) Allowable Use of Funds and Adherence to Uniform Grant Guidance

(1) All costs expended using federal funds must meet the following general criteria laid forth in 2 CFR 200, Subpart E:

- (a) Be necessary and reasonable for the proper and efficient performance and administration of the grant program.
- (b) Be authorized and not prohibited under state or local laws or regulations.
- (c) Conform to any limitations or exclusions set forth in the principles, federal laws, terms and conditions of the federal award, or other governing regulations as to types or amounts of cost items.
- (d) Be consistent with policies, regulations, and procedures that apply uniformly to both federal awards and other activities of the county.

- (e) Be accorded consistent treatment. A cost may not be assigned to a federal award as a direct cost and also be charged to a federal award as an indirect cost.
 - (f) Not included as a cost or used to meet cost sharing or matching requirements of any other federal award in either the current or a prior period.
 - (g) Be net of all applicable credits.
 - (h) Be adequately documented.
- v) Cash Management/Reimbursements**
- (1) The county utilizes grant funds on a reimbursement basis. When seeking reimbursement for qualified expenditures, the county will:
- (a) Only request reimbursement for qualifying expenditures
 - (b) Keep all documentation regarding the request
 - (c) When feasible, segregate and sign off on the following tasks: completion of the reimbursement request, review of the reimbursement request, reconciling the deposit when received to the reimbursement request.
- vi) Allocation of Payroll**
- (1) The allocation of payroll for grant purposes is based on time and effort and will:
- (a) Be supported by a system of internal control which provides reasonable assurance that the time being charged is accurate, allowable, and properly allocated
 - (b) Be incorporated in payroll records
 - (c) Reflect the employee's total activity
 - (d) Provide a time or percentage breakdown on all activities, both Federally funded and non-Federally funded, for the employee
 - (e) Comply with the county's pre-established payroll practices

g) ETHICS IN COUNTY CONTRACTING

i) GENERAL STANDARDS OF ETHICAL CONDUCT

(1) General Statement.

- (a) Any attempt to realize personal gain through County employment by conduct inconsistent with the proper discharge of the employee's duties is a breach of public trust. County employment includes any person who receives a County paycheck, such paycheck being a result of either appointment or election to a County position. In order to fulfill this generally prescribed standard, employees must also meet the specific standards set forth in this section.

(2) Employee's Responsibilities.

It shall be the responsibility of County employees involved in any decision to purchase goods and/or services on behalf of the County to avoid the appearance of impropriety in such decision-making.

ii) EMPLOYEE CONFLICT OF INTEREST

(1) Definitions.

- (a) Contract. The term "contract" as used herein shall mean any agreement between the County and one or more other persons or businesses by which the other persons or businesses agree to provide, in exchange for consideration, any type of property, whether tangible or intangible, services, or any other benefit to or for County.

- (b) Employee. The term “employee” as used in this section shall apply to any person, whether appointed or elected, who receives a paycheck from the County.
- (c) Substantial Interest. The term “substantial interest” is defined at K.S.A. 75-4301a(a). A substantial interest includes any legal or equitable interest of an employee or employee’s spouse in a business exceeding \$5,000 or 5% of any business of an employee or the employee’s spouse.

(2) Kansas Statutes

- (a) Pursuant to K.S.A. 75-4304, it shall be a breach of ethical standards for any County employee, in his/her capacity as such employee, to make or participate in the making of a contract with any person or business by which he/she (or his/her spouse) is employed or in whose business he/she has a substantial interest. A County employee shall not make or participate in the making of a contract if he/she has abstained from any action with regard to the contract.

(3) Exceptions.

- (a) The above section g)ii)(2)(a) does not apply when either of the following circumstances are in place:
 - (i) Contracts let after competitive purchasing practices have been followed using the procedures outlined in previous sections of this policy.
 - (ii) Contracts for property or services for which the price or rate is fixed by law.

iii) EMPLOYEE DISCLOSURE REQUIREMENTS

- (1) Except in cases of the minimum purchases, an employee who has, or obtains, any benefit from any County contract with a business or person in which the employee (or the employee’s spouse) has a financial interest shall report such benefit to the Board of County Commissioners; provided, however, this Section shall not apply to a contract with a business where the employee’s interest in the business has been placed in an independent trust. Any employee who knows or should have known of such benefit and fails to report such benefit to the Board of County Commissioners is in breach of ethical standards.

iv) GRATUITIES, KICKBACKS, AND CONTINGENT FEES

(1) A. Gratuities.

- (a) It shall be a breach of ethical standards for any person to offer, give or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation or preparation of any part of a program requirement or a purchase requisition; influencing the content of any specification or purchasing standard; or rendering of advice, investigation, auditing or in any other advisory capacity, in any proceeding or application, request for ruling, determination, claim or controversy or other particular matter; pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefor. Except as provided in below, gratuities shall not mean pens, calendars or other novelty items used for advertising purposes, meals or other meeting circumstances for the purpose of conducting or discussing official business.

(2) Kickbacks.

- (a) It shall be a breach of ethical standards for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract or order to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.

(3) Contingent Fees.

- (a) It shall be a breach of ethical standards for a person to be retained or to retain a person, to solicit or secure a County contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

v) RESTRICTIONS ON EMPLOYMENT OF PRESENT AND FORMER EMPLOYEE

Except as may be expressly permitted by the Board of County Commissioners or their designee, it shall be a breach of ethical standards for any County employee who is participating directly or indirectly in the purchasing process to become or be, while being a County employee, the employee of any person contracting with the County.

vi) USE OF CONFIDENTIAL INFORMATION

It shall be a breach of ethical standards for any employee or former employee knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any other person.

vii) CIVIL AND ADMINISTRATIVE REMEDIES AGAINST EMPLOYEE AND NON-EMPLOYEES WHO BREACH ETHICAL STANDARDS

- (1)** Civil and administrative remedies against employees and non-employees, which are in existence on the effective date of this manual, shall not be impaired. In addition to existing remedies for breach of ethical standards of this section, the Board of County Commissioners, in accordance with the Personnel Manual, may impose any one or more of the following on employees:

- (a) Oral or written warnings or reprimands.
- (b) Suspension with or without pay for specified periods of time; and
- (c) Termination of employment.

- (2)** In addition to existing remedies for breach of ethical standards of this section or regulations promulgated hereunder, the Board of County Commissioners may impose any one or more of the following on non-employees:

- (a) Written warnings;
- (b) Termination of transactions; and,
- (c) Debarment or suspension from being a contractor or subcontractor under County contracts.

- (3)** The value of anything transferred or received in breach of the ethical standards of this section, or regulations promulgated hereunder, by an employee or a non-employee may be recovered from both the employee and non-employee.

- (4)** All procedures under this Section shall be in accordance with due process requirements. To the extent that violations of the ethical standards of conduct set forth in this section constitute violations of federal or state law, they shall also be punishable as provided therein. Such sanctions shall be in addition to the civil remedies set forth in this manual.

h) ATTACHMENT A

i) Technology purchases

Most hardware, software or computer-related components or services must first be reviewed by the I.T. Department, and possibly the Technology Committee, and purchased by the I.T. Department. Some web based software-as-a-service purchases can be completed by departments, but shall be vetted by the I.T. department and possibly the Technology Committee. As applicable, departments shall provide the I.T. Department the appropriate account code to charge the technology related purchases to at the time of the request. Most hardware or software acquisition/updates can be requested via the I.T. Department's helpdesk system.

Departments shall contact the I.T. Department Director for larger or more complex technology projects that are needed or are being considered. I.T. personnel will work with the Technology Committee and identified stakeholders to ensure a successful acquisition and implementation. I.T. personnel will work with the departments in creating technical and business requirement, estimated project timeline, project costs, and ongoing annual maintenance (See the IT Strategic Plan).

Contracts related to technology related services should be reviewed by the I.T. Department, along with legal counsel.

- ii) Hardware: Examples of hardware purchase include, but are not limited to the following:
 - (a) Desktops, laptops, tablets and servers
 - (b) Data storage related technologies
 - (c) Networking devices such as switches, routers, firewalls
 - (d) Security hardware devices
 - (e) Wireless, mobile, and field-service technologies
 - (f) Peripheral equipment, such as printers and scanners
 - (g) Audio-visual related technologies

The I.T. Department purchases and implements a wide variety of hardware technologies and has established standards, develops system images, conducts tests related to operational effectiveness, and works with departmental personnel to establish recommended replacement schedules for most hardware systems.

Computer related hardware should be delivered to and documented by the I.T. Department personnel. Larger items may be directly drop shipped to other locations if the need arises. The I.T. Department labels computers, printers, network hardware, peripherals, and many other hardware devices with a county identification number to track the asset, and tracks the hardware in a database. Annual inventories of the hardware systems are performed to track and verify the hardware's use.

- iii) Software
 - (1) Enterprise Resource Systems (ERP)
 - (2) Virtual servers and related systems software
 - (3) Department specific specialized applications
 - (4) Security related software technologies
 - (5) Desktop Office Suites and other individualized software packages

I.T., and possibly the Technology Committee, must be included in review of any departmental or enterprise software (whether hosted on a desktop computer, mobile device, or server) to ensure security and support standards, interfaces with other technologies, licensing compliance, and scheduling of implementation of technology of projects.

Adhering to specific software licensing requirements is critical to properly and legally using purchased software. Software license types include, but are not limited to:

- (1) Device licensing is also known as 'machine based,' where a license is locked to an individual machine.
- (2) User licensing is assigned to a named user who must be identified to ensure the license agreement is validated and the license terms are adhered to.
- (3) Networked (WAN & LAN) A license that covers machines that are on the same network infrastructure. This is either in Wide Area Network or a Local Area Network format. Also known as 'concurrent license'.
- (4) Subscription (user or device) licenses are only available during time of subscription. No rights to use it pre or post agreement dates (unless agreement renewed).
- (5) Cloud based subscription licenses are the unit of measurement required to perform certain tasks or rights to run certain applications provided by the vendor. Hosted in the cloud and are usually a subscription model.
- (6) Client Access License (CAL, includes both device and user metrics) licensing allows users to connect to server software to use the software's features or functions.
- (7) Capacity Based Licenses are based on the capacity of the CPU, Hard Drive, or other hardware configuration elements.
- (8) Font licenses are for specific fonts used online or internally by an organization.
- (9) Freeware license may require no purchase but the copyrights are still held by the developer. Developer can sell the software in the future and does not distribute the source code. Freeware software is many time not allowed for government use by many of the developers.
- (10) Due to the legal complexities of software licensing, departments shall inform the I.T. Department on all licensed software purchases before final purchase is made.

iv) Services

- (1) Internet Service Providers (ISP's)
- (2) Fiber and copper network cabling services related to networking
- (3) Professional technology consulting firms
- (4) Software developers contracted for application development and maintenance
- (5) Software conversion and integration services
- (6) Off-site collocation and disaster recovery services

I.T., and possibly the Technology Committee, must be included in the review of any cloud or externally hosted systems, software and services to ensure they meet security and support standards, interface with other technologies, licenses are in compliance, schedule of implementations, and to assess network traffic and internet inbound and outbound traffic capacity requirements.

- (7) Communications: The County utilizes a variety of communication technologies to connect and communicate internally and externally. Some of these communication methods include:
 - (8) Telephone network services from carriers such as AT&T or others.
 - (9) VoIP and PBX related telephone systems.
 - (10) Data network services for leased connectivity circuits
 - (11) Broadband leased services from cable companies and other providers
 - (12) Mobile data services from companies such as AT&T, Verizon, and others.

(13) Owned wireless network (microwave network).

Departments shall work with the I.T. Department, and possibly the Technology Committee, when considering new or replacement communication methods.