

Chapter 13.5

PURCHASING*

Sec. 13.5-1. Expenditures and purchasing.

***Cross reference**—Administration, Ch. 2.

State law references—Municipalities required to adopt reasonable purchasing regulations, S.C. Code 1972, § 11-35-50; procurement and intergovernmental relations, S.C. Code Reg. 19-445.2155.

Sec. 13.5-1. Expenditures and purchasing.

(a) *Budget appropriation.* All expenditures must be appropriated in the annual budget. A budget amendment is required for proposed expenditures which have not been budgeted. Amendments which increase a department's total expenditures must be approved by town council.

- (1) All payment requests must be supported by an approved invoice and expenditure authorization voucher and be submitted to the town treasurer no later than 15 days before payment is due.
- (2) The town treasurer shall verify all new vendors added to the vendor list, determine that adequate budgeted funds are available, maintain a numerical file of all purchase orders, audit all invoices for clerical accuracy and stamp them "PAID" when payment is made.

(b) *Expenditures of \$500.00 or less.* A purchase order is required to be approved by the department head and the town administrator prior to the order being placed with the vendor. Bids are not required, but verbal quotes should be obtained from at least one other vendor.

(c) *Expenditures of \$5,000.00 or more.*

- (1) Three written bids are required to be obtained by the department head. Bids may be obtained by advertising, invitation, use of catalogs, brochures, proposals, or other written materials. Less than three bids will be accepted only where the bid request has been advertised or if state purchasing is used. Sealed bids shall be used for expenditures of \$10,000.00 or more.
- (2) A bid tabulation form must be attached to the purchase order.

(d) *Sole source purchasing.*

- (1) Sole source purchasing is defined as purchases from a single vendor without competitive bidding. It is permitted where:
 - a. There has been a determination to standardize with that product; or
 - b. There is only one vendor of the product.
- (2) The department head shall document the need for sole source procurement and attach same to the purchase order.

(e) *Emergency purchases.*

- (1) Emergency purchases are defined as expenditures which are necessary to immediately replace or repair damaged facilities or equipment. Bids are not required.
- (2) The department head shall document the emergency and attach same to a purchase order within two working days after the purchase.

(f) *Professional services.*

- (1) Professional services are defined to include the following professions: architects, lawyers, doctors, accountants, engineers, planners, programmers, and technical consultants.
- (2) Professional services are to be obtained on the basis of written contractual proposals, not considered as bids or being subject to bid requirements, and selected on the basis of qualifications and fairness of pricing. When obtaining new services in excess of \$5,000.00, competitive proposals should be considered.

(g) *State purchasing.*

- (1) State purchasing contracts satisfy the requirement for three bids. The contract number must be provided on the bid tabulation sheet.
- (2) Where state purchasing contracts are considered along with another bid, the bid requirements are also satisfied.

(h) *Open purchase orders.* Open purchase orders for a year's budgeted expenditures may be issued when multiple smaller purchases are to be made during the year. All open purchase orders shall be closed as of budget year end.

(i) *Splitting prohibited.* Splitting of purchases to avoid bids or purchase orders is prohibited.

(j) *Prohibited purchases.* Purchases of personal items by the town for employees is prohibited.

(k) *Awarding of bid.*

- (1) The department head shall evaluate all bids on the basis of quality, service, delivery time, prior experience and total cost, and all things being equal, award the bid to the lowest bidder.
- (2) If the low bid is not accepted, the department head shall explain in writing the reasons for not selecting the low bid.

(l) *Town administrator.* The town administrator shall administer this section, establish or approve procedures and forms as are necessary to ensure compliance. He may also lower the dollar limits for purchase orders should a greater level of control be necessary for management purposes.

(Ord. No. 830109, 3-14-88)