

	<b>MARICOPA COUNTY SHERIFF'S OFFICE POLICY AND PROCEDURES</b>	
	<b>Subject</b>  <b>SUPPLY REQUISITION, PROCUREMENT, AND INVENTORY</b>	<b>Policy Number</b> <b>GE-1</b> <b>Effective Date</b> <b>07-13-22</b>
<b>Related Information</b> ARS 11-251 GE-2, <i>County Purchase Cards</i> Maricopa County Policy A1515 Maricopa County Procurement Code	<b>Supersedes</b> GE-1 (05-30-13)	

**PURPOSE**

The purpose of this Office Policy is to establish guidelines and procedures for the requisition, procurement, and inventory control of all equipment, supplies, and services used by the Office in compliance with the Maricopa County Procurement Code and Arizona Revised Statutes (ARS).

**POLICY**

It is the policy of the Office to ensure Maricopa County contracted vendors are used for the purchase of equipment, supplies, and services. If no contract exists, competitive bids shall be obtained by the MCSO Procurement Division, of the Business Operations Bureau, utilizing the Maricopa County designated web-based bidding system.

**DEFINITIONS**

**Certified Agency Procurement Aide:** Office personnel, who have completed training offered by the Maricopa County Office of Procurement Services, allowing them to conduct limited procurement activities.

**Commodities:** All materials, property, including equipment, supplies, printing, insurance, and leases of personal property, but does not include land or other real property interests.

**Documentation:** For the purposes of this Office Policy, items other than the *Purchase Request Form* including memorandums, e-mails, electronic communications, and any other reliable and auditable means of communication used to initiate and support the procurement process as outlined in this Office Policy.

**Maricopa County Procurement Code:** The procurement procedure adopted by the Maricopa County Board of Supervisors to procure commodities and services required by Maricopa County departments.

**Office Funds:** Funding appropriated to the Sheriff's Office and allocated for use by the various divisions of the Office. Office Funds include the Maricopa County's General Fund and the Maricopa County Detention Fund. Office Funds also include special revenue funds such as the Inmate Services Fund, Jail Enhancement Fund (JEF), Racketeering Influenced Corrupt Organization (RICO), Grant Funds, Donations Fund, and Officer Safety Fund.

**Procurement:** Buying, purchasing, renting, leasing or otherwise acquiring any information, commodities, services or construction. Procurement also includes all functions that pertain to obtaining any commodities, services, or construction, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.

**Purchase Card (P-Card):** An Office purchasing card issued to authorized personnel for commodities, equipment, or services authorized for purchase.

**Purchase Order:** A legal document which commits Office funds and authorizes a vendor to sell an item or provide a service to the Office.

**Purchasing Authority:** Office personnel designated as the procurement entity or person authorized to commit specific Office funds to the purchase of equipment, supplies, or services.

**Purchase Request Form:** An official Office document used to request procurement of commodities or services. This document is normally supported by a memorandum justifying the purchase request with chain of command signatures approving the request.

**Responsible Bidder:** A respondent who has the capability to perform the contract requirements and the integrity and reliability which assures good faith performance pursuant to Maricopa County Procurement Code (MCI-352).

**Responsive Bidder or Proposer:** A respondent who submits a response to a solicitation which conforms to the solicitation in all material respects.

**Services:** For the purposes of this Office Policy, the furnishing of labor, time, or effort by a contractor not involving the delivery of a specific end product. A service does not include employment agreements or collective bargaining agreements.

## **PROCEDURES**

1. **Procurement Requirements:** The purchasing authorities are responsible for the procurement of commodities, equipment, and services with the approval of the Maricopa County Office of Procurement Services. Maricopa County Procurement Code is required to be followed for all purchases, regardless of funding source. The Sheriff's Office Warehouse Operations and Food Services Division maintain specific detailed requisitioning, receiving, and accounts payable process steps in their respective operations manuals.
  - A. The purchase of any commodity, equipment, or service shall be requested with a *Purchase Request Form*. Office employees involved in the purchase request process should be knowledgeable of the needs for the goods and services for their division and have the authority to prepare the purchase request.
    1. The *Purchase Request Form* and/or supporting documentation shall include:
      - a. Justification documentation for the purchase request to initiate and support the procurement process, as outlined in this Office Policy. Documentation includes, but is not limited to, the following information:
        - (1) At least one suggested vendor.
        - (2) An estimated cost of commodities, equipment, or services being requested for funding consideration. The MCSO Procurement Division shall obtain actual quotes.
        - (3) Complete specifications of each item requested. Brochures, website printouts, or additional information to assist the MCSO Procurement Division may be included.

- b. Justification for use of the Jail Enhancement Fund (JEF) shall include how the requested purchase enhances Office jail facilities or their operations.
        - c. Justification for the use of the Racketeering Influenced Corrupt Organization (RICO) Fund shall include the relationship of the requested purchase to an investigation of racketeering offenses.
      2. All purchase requests and supporting documentation shall be forwarded through the chain of command to the Chief Financial Officer (CFO) or designee for approval.
      3. Approved purchase requests shall be forwarded to the MCSO Procurement Division for processing.
    - B. Contract Purchases: The purchasing authorities maintain specifications on items available for standardized purchase through Maricopa County awarded contracts. These items may be procured by the MCSO Procurement Division upon receipt of the appropriate *Purchase Request Form* and/or other documentation with complete purchase request information which has chain of command authorization.
    - C. Non-Contract Purchases: Upon receipt of the *Purchase Request Form* and/or other documentation with complete purchase request information that has chain of command authorization, MCSO Procurement Division personnel shall obtain quotes to purchase commodities, equipment, or services for which a contract does not exist. A purchase order shall generally be awarded to the lowest priced responsible bidder that meets all requirements of the quote request. Quotes for non-contracted equipment, supplies, or services shall be obtained by the MCSO Procurement Division based on the following:
      1. The Maricopa County Office of Procurement Services shall process all purchases having an estimated annual cost of \$100,000 or more as follows:
        - a. Commodities, equipment, and nonprofessional services must be competitively bid in the Maricopa County designated web-based bidding system and shall result in a contract being awarded to the lowest responsible bidder.
        - b. Proposals for the procurement of professional services shall utilize competitive negotiations or a review of qualifications.
        - c. Exceptions include competitive, impracticable, and sole source items, which are rare and require an alternate process with specific authorizations.
      2. Purchases equal to or more than \$10,000 but less than \$100,000 shall be competitively bid by the MCSO Procurement Division using the Maricopa County designated web-based bidding system.
      3. Purchases less than \$10,000 require a written quote from one responsible vendor obtained by the MCSO Procurement Division. A written quote may be obtained by requesting division personnel for purchases less than \$10,000 to establish a baseline purchase amount for required chain of command approval.
    - D. Open purchase orders are issued annually at the division level in an active request process coordinated by the MCSO Procurement Division. Office Divisions may purchase commodities or services up to the pre-approved annual total and are responsible for managing the open purchase order balance.

- E. Grant funded requests require a *Grant Expenditure Request Form*. Expenditure requests require certification by the Office Grant Administrator prior to obtaining final chain of command authorizations and subsequent processing by the MCSO Procurement Division.
- F. The Maricopa County Board of Supervisors may adopt policies annually which affect the procurement process. The MCSO Procurement Division shall comply with Board of Supervisors approved changes.
- G. Special Considerations:
  - 1. Office employees **shall not** commit the Office to a particular purchase or to a purchase from a particular vendor or supplier unless a purchase order has been issued to that vendor for the purchase. When obtaining price quotes from vendors to support a purchase request, the employee shall advise the vendor that competitive bidding may be required before a successful vendor is determined.
  - 2. Bids, price quotations, and vendor information **shall not** be revealed to other bidders or vendors prior to the purchase order being issued.
  - 3. Office employees are required to observe employee ethical standards regarding procurement procedures, as specified in the Maricopa County Procurement Code Article 12 and Maricopa County Policy A1515 regarding vendor relations.
- 2. **Emergency Purchase:** Upon the declaration of an emergency need for commodities, equipment, or services, the purchasing authority shall make an emergency procurement. Justification may be based on a threat to public health, welfare, property, or safety, or in response to a situation which makes compliance with normal procurement procedures impractical, unnecessary, or contrary to the public interest. The written determination of the basis for the emergency, and for the selection of the contractor, shall be included in the contract file. An emergency procurement shall be limited to the materials, services, or construction necessary to satisfy the emergency need. This type or pre-authorization procurement may also involve the use of a Purchase Card (P-Card), as specified in Office Policy GE-2, *County Purchase Cards*.
- 3. **Office Warehouse Ordering System:** The Office Warehouse Operations maintains a stock of commonly used supplies and forms. Items may be obtained by submitting an order through the Office Supply Online Ordering System on the Office Electronic Business Center (EBC) Intranet Portal. All orders must be approved through the chain of command.
- 4. **Capital Asset Inventory:** The Maricopa County Property Manual requires all equipment in excess of \$5,000 be capitalized and entered into the Maricopa County Fixed Asset Management System. All items in this category must be inventoried on an annual basis. This classification includes, but is not limited to, vehicles, radios, computers, buildings, machinery, audio-visual equipment, communications equipment, and furniture items. The Budget Development and Risk Management Division Fixed Assets Coordinator is responsible for the annual capital asset inventory for the Office.
  - A. Capital assets may be added, modified, removed, or transferred from the County Capital Asset Listing. The appropriate forms may be obtained from the Budget Development and Risk Management Division. The division commander or designee requesting the change of a capital asset is responsible for completing the necessary documentation for submission to the Fixed Assets Coordinator. All forms shall be approved by the Fixed Assets Coordinator and the Budget and Finance Bureau Director. If an asset is disposed of, a memorandum shall be sent to the Chief of Administration or designee through the chain of command to request and approve the disposal. If an asset is transferred from one County department to another, a Transfer Form is required to

be completed, and an authorized signature is required from both the losing and gaining departments. The authorized signers are the Fixed Assets Coordinator and the Budget and Finance Bureau Director. If an asset is transferred to another agency or company outside Maricopa County, a Board Agenda is required.

- B. Office property or vehicles determined to have been lost or stolen shall require the completion of a Maricopa County Damaged County Property form or a Damaged County Vehicle form. These Online Claim forms are located on the SharePoint Portal under the Industrial Injury Claims Forms tab.
  - 1. The Maricopa County Risk Management Damaged County Property form or Damaged County Vehicles form will be electronically forwarded to the Maricopa County Risk Management Department once the Complete Incident button is selected.
  - 2. A printed copy of the Damaged County Property form or Damaged County Vehicle form, and a memorandum giving a synopsis of the loss shall be forwarded through the chain of command to the MCSO Budget Development and Risk Management Division. The Fixed Assets Coordinator shall complete the required disposition forms and verify the item is deleted from the inventory listing.
- 5. **Maricopa County Contracts:** Only the Maricopa County Board of Supervisors are authorized to enter into contracts and purchases of real and personal property, as specified in ARS 11-251. This authority has been partially delegated, by a Board of Supervisors resolution, to the Maricopa County Director of the Office of Procurement Services. Any unauthorized Office personnel entering into a contractual agreement or obligation risks personal liability for the agreement. Orders for commodities, equipment, or services on a contractual basis shall be processed by the Maricopa County Office of Procurement Services and awarded by the Board of Supervisors.
- 6. **Receiving and Accounts Payable Process:** The Office maintains a de-centralized receiving process for Office divisions, as specified in this Office Policy. The Office Warehouse Operations utilizes Maricopa County Finance for accounts payable, while all other remaining Office divisions utilize the internal Office Accounts Payable Section. The established receiving process includes the following:
  - A. The Accounts Payable Section shall maintain a list of all approved employees by division which can act as receivers and approve vendor invoices at the division level. Upon receipt of goods or services the receiving division shall verify the quality of the goods or services is acceptable, and the quantity of goods or services matches the purchase order. Any issues with quantity or quality shall be documented on the receiving document accompanying the received goods or services, if available. Discrepancies shall be reported to the individual vendor for resolution by the receiving division. If the issue is not resolved, the discrepancy shall be reported to the MCSO Procurement Division for additional action prior to the approval of payment.
    - 1. After receipt of goods or services, the receiving division shall receive an invoice from Accounts Payable, which then must be matched against the receipt and order. The receiving department must respond to Accounts Payable within five business days of receipt of the invoice with either an approval of payment or a note informing Accounts Payable of any issue with the invoice, goods, or services. Any receiving documents obtained with goods or services should be forwarded to Accounts Payable with the invoice, if available. If receiving documents are not available, then the approval of payment or note informing Accounts Payable of any issue with the invoice, shall serve as the receiving report.

2. Accounts Payable shall match all documentation received with the invoice and purchase order, if not an open purchase order. By signing and authorizing payment of the invoice, the end user acknowledges the proper quantity of goods or services have been received, the receipt matches the purchase order and the invoice, and the goods or services are in good working order. In the event of quantity shortages or quality issues, the receiving division must contact the vendor to resolve the issue and adjust the invoice accordingly. All documentation of the shortage or quality issue should be included with the documentation sent to Accounts Payable.
  3. Accounts Payable shall then receive and pay the adjusted invoice. Any outstanding unmatched receipts are periodically reviewed and resolved by Accounts Payable in coordination with Procurement and the receiving division.
- B. The Office Warehouse Operations and Food Services Division maintain specific procedures detailing the receiving process, which shall be included within the operations manual for these divisions. In both, the Warehouse Operations and Food Services Division, after the receiving process is completed, proper updates shall be made to the inventory record systems. When products arrive at the Office Warehouse Operations and Food Services Division for receiving, the following shall be completed:
1. The Inventory Specialist shall check the truck bill of lading to verify the product is an Office order prior to the unloading of the freight into the warehouse.
  2. Quantities shall be verified to the truck bill of lading and the purchase order. Any discrepancies, such as damages and shortages, shall be documented on the truck bill of lading.
  3. Quality shall be verified for items received. All items shall be signed for upon receipt and entered as received on the "On Order" spreadsheet and entered into Advantage 3.11 with an "RC" receipt document.
  4. The "RC" receipt document shall be approved by a supervisor for items entered into inventory.
  5. The designated Food Services Division Warehouse Accounting Specialist shall ensure items received are verified for quantity and quality, including but not limited to, perishable food product specifications and expiration dates. Once the product is received, the Accounting Specialist shall submit a signed copy of the "RC" receipt document to Food Services administration.
7. **Surplus and Excess Materials:** The Maricopa County Board of Supervisors acts in all matters pertaining to the disposition of surplus materials. Maricopa County Procurement Code Article 8, Items MC1-801 through CM1-807 are applicable to the acquisition and distribution of federal surplus materials; the sale, lease, trade-in, or disposal of surplus materials; the transfer of excess materials, surplus materials and fixed assets; and the trade-in of excess materials, surplus materials, and fixed assets.
- A. Unanimous Maricopa County Board of Supervisors approval is required for disposal of surplus material not disposed of by public auction, to include the transfer of ownership of K-9's retiring from Office service.
  - B. Maricopa County Board of Supervisors approval is required before surplus materials are disposed of by trade-in to a vendor for credit on an acquisition.

- C. A memorandum including a description and value of the item shall be forwarded through the chain of command, to include the Chief Financial Officer (CFO), to initiate Maricopa County Board of Supervisors action regarding surplus and excess materials.
8. **Acceptance of Donations:** Only the Maricopa County Board of Supervisors may authorize acceptance of cash and noncash donation items for County use. All proposals for acceptance shall be forwarded through the chain of command to the Chief Deputy or designee for Office approval. If approved, the proposal shall be forwarded to the Business Services Division for agenda processing and reporting.