



Albemarle County

Legislation Text

File #: 18-512, **Version:** 1

AGENDA DATE: 10/10/2018

TITLE:

Amendments to the Albemarle County Purchasing Manual

SUBJECT/PROPOSAL/REQUEST: Resolution to amend the County's Purchasing Manual

ITEM TYPE: Consent Action Item

STAFF CONTACT(S): Richardson, Letteri, Kamptner, Farley, Winder

PRESENTER (S): N/A

LEGAL REVIEW: Yes

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: Albemarle County's Purchasing Manual, as adopted by the Board of Supervisors, governs and guides local government and school purchases in accordance with the Virginia Public Procurement Act (VPPA).

Following an extensive review of the Manual, staff from the Purchasing Office and the County Attorney's Office are recommending amendments to the Manual to reflect current best practices, to ensure improved regulatory compliance, to increase purchasing efficiency, and to reflect the 2018 General Assembly enacted changes to the VPPA that affect the purchase process of local governments and schools.

These amendments include:

1. An increase to the County's small purchase threshold from \$50,000 to \$100,000.
2. Clarification and additions to clearly defined limits of procurement authority granted to the County Executive, Deputy County Executive, Department Heads, the School Superintendent, School Chief Operating Officer, School Principals, and to personnel making purchases up to \$5,000.
3. Authorization for the delegation of purchase authority up to the small purchase limitation to subordinate staff.
4. Establishment of a requirement for all who initiate or approve purchases to have completed mandatory purchasing training.
5. Adding language to the Manual requiring Contract Administration procedures and responsibilities to be established and followed.
6. Creation of a list of small purchases that are exempted from competitive procurement requirements.

7. An increase to the County's small purchase threshold for procurement of professional services from \$50,000 to \$80,000 in accordance with the 2018 change to the VPPA.
8. The removal of Chapter 27, Design-Build Procedures, and Chapter 28, Construction Management Procedures, because they are obsolete and have never been utilized. Chapter 29, Participation of Small Businesses and Minority-Owned, Women-Owned, and Service Disabled Veteran-Owned Businesses in County Procurement, is now Chapter 27.
9. Changes to the language throughout the Manual to reflect current best practices in procurement and consistency with processes and procedures in practice in the County's purchases.
10. Changes and corrections throughout the Manual to conform to changes in statutory regulations, correct citations to the Virginia Code, and department or division name changes within the State and the County organization.

STRATEGIC PLAN: Mission: To enhance the well-being and quality of life for all citizens through the provision of the highest level of public service consistent with the prudent use of public funds.

DISCUSSION: As a result of the review of the Manual and 2018 amendments to the Virginia Public Procurement Act, staff is recommending the following changes to the Purchasing Manual:

- Small Purchase Thresholds - Increase the small purchase threshold for the County from \$50,000 to \$100,000 in Chapters 4, 5, 11, and 22 to enhance efficiency, as the VPPA establishes that a public body may establish small purchase procedures not expected to exceed \$100,000. Increase the small purchase threshold for professional services for the County from \$50,000 to \$80,000 in Chapter 22, as the threshold was increased by 2018 legislation.
- Purchase Authority - Add a statement in Chapter 1 to clarify that the Board of Supervisors may designate an individual to act as Purchasing Agent to clarify current practice in the County. Add authority in Chapter 2 to delegate purchase authority to subordinate staff up to the Small Purchase Threshold to eliminate a bottleneck and increase efficiency in small purchase approvals through the County's automated purchase system. Expand and clarify in Chapter 26, the granting of clearly defined limits of purchase authority to the County Executive, Deputy County Executive, Department Heads, the School Superintendent, School Chief Operating Officer, School Principals, and personnel making purchases up to \$5,000 to establish clearly defined authority and responsibility for procurements. The Manual clearly defines and sets the limits for purchase authority in the County and delineate the associated responsibilities. This is closely related to the creation of mandatory purchasing training.
- Mandatory Purchasing Training - Add in Chapter 2 the requirement for any individual in the County that initiates or approves a purchase to have attended mandatory purchasing policy and procedures training to ensure compliance with regulations and ensure best value for the County.
- Contract Administration - Include in Chapter 2, definitive language requiring Contract Administration procedures and responsibilities to be established and followed to ensure proper contract performance and best value for the County.
- Competitive Exemptions - Add to Chapter 22, a list of purchases that are impracticable to competitively procure and are therefore exempted from competitive procurement procedures.
- Best Practices - Make appropriate changes to most chapters to reflect current best practices in procurement and consistency with processes and procedures in current practice in the County's

purchases. These changes predominantly change the language to align with the procedures that have developed in the County's purchasing operations through application of practices conducted in accordance with the VPPA requirements and a wide body of knowledge available through training and outreach through the Virginia Association of Governmental Purchasing and the National Institute of Governmental Purchasing. This also includes the removal of Chapters 27 and 28 because they are obsolete and have never been utilized, and the renumbering of Chapter 29 to Chapter 27.

- Changes to Regulations - Make appropriate changes to multiple chapters to conform to changes in State law requirements, correct citations to the Virginia Code that have changed since the Manual was last revised, and department or division name changes within the State and the County organization that have changed since the Manual was last revised.
- Other minor editorial changes throughout the Manual.

BUDGET IMPACT: No budget impact is expected other than increased efficiencies.

RECOMMENDATION:

Staff recommends that the Board adopt the attached Resolution (Attachment A) to amend and re-adopt the Albemarle County Purchasing Manual (Attachments B through G).

ATTACHMENTS:

- A - Resolution
- B - Manual Part 1: Chapters 1-4
- C - Manual Part 2: Chapters 5-10
- D - Manual Part 3: Chapters 11-18
- E - Manual Part 4: Chapters 19-22
- F - Manual Part 5: Chapters 23-26
- G - Manual Part 6: Chapter 27
- H - Appendix C: Small Purchase Exception List