

Board of County Commissioners

Agenda Request

Date of Meeting: September 2, 2008

Date Submitted: August 15, 2008

To: Honorable Chairman and Members of the Board

From: Benjamin H. Pingree, County Administrator
Timothy Barden, Assistant County Administrator

Subject: Conduct a Public Hearing for Adoption of the New Purchasing Policy Ordinance and Repeal Ordinance #90-40 and Ordinance #85-7, Part II, Chapter 2, Article VI

Statement of Issue:

This agenda item requests Board approval to conduct a Public Hearing to adopt the New Purchasing Policy and repeal the existing Purchasing Policy, Ordinance #90-40.

Background:

In the Spring of 2007, the Board directed staff to begin the process of updating and revising the existing Purchasing Policy. The current purchasing policy governing the Board of County Commissioners and staff was written and adopted in November of 1990. As this policy is almost 20 years old, staff and the Board have agreed that it is overdue for a revision.

Over the course of time, state statutes and the administrative rules which govern the purchasing process have been re-written and updated on more than one occasion. Best practices of the industry have also changed to coincide with these updates as well as with the ever increasing cost of conducting business. One of the goals of the new policy was to include the implementation of a purchasing card program (p-card) to provide a more efficient and cost effective means to pay for low dollar purchases in addition to travel expenditures.

The purchasing card was introduced to State and Local Governments in June of 1996 with Bank of America serving as the card service provider. It has now become an industry standard with over 55,000 cards issued and over \$725 million in expenditures during 2007 within the State of Florida. Bank of America anticipates that the program will reach over \$1 billion in expenditures during 2008. For clarity, Bank of America is the state contractor for this purpose and it is under that state contract that staff would seek to establish a relationship for Wakulla County's benefit.

As a result of the Board's direction, Paula Arnold of Quest Consultants was hired to assist the County in completing this task. A Purchasing Team was also put together consisting of the Director of the Office of Management & Budget, the Director of Library Services, the Deputy County Administrator and staff from the Clerk of the Courts Office. Ms. Arnold presented the team with a draft policy based on her experience and research of other comparable local government entities.

This document was then reviewed, line by line, by the Purchasing Team until completed. Issues brought forth by the Clerk's Office from an audit and fiscal point of view were addressed along with issues experienced on a day to day basis by the average purchaser. When necessary, legal counsel was contacted for direction and advice and those responses have been incorporated into the final document. This included a purchasing matrix which clearly and concisely outlines the type of purchases, the quote thresholds and the corresponding approval authority.

A Workshop was held on July 21, 2008 to allow the Board the opportunity to review the proposed Purchasing Policy as well as the proposed Purchasing Card Guidelines and to clarify any areas of concern.

Analysis:

The proposed Purchasing Policy (Attachment #1) was presented at the July 21, 2008 Workshop along with the Purchasing Card Guidelines (Attachment #2). Tim Barden, Assistant County Administrator provided a detailed review of the updates and revisions in the proposed policy. Included in this review was an updated purchasing matrix which compared the existing thresholds to the proposed thresholds; highlights of the new Purchasing Policy; Benefits of the Purchasing Card Guidelines along with specific program highlights.

At this time staff is requesting the Board to accept the revised Purchasing Policy and to implement a Purchasing Card Program by conducting this Public Hearing, and to repeal Ordinances #90-40 and Ordinance #85-7, Part II, Chapter 2, Article VI.

Options:

1. Approve to conduct the public hearing, repeal Ordinances #90-40 and #85-7, Part II, Chapter 2, Article VI and adopt the new Purchasing Policy Ordinance.
2. Do not approve to conduct the public hearing, do not approve to repeal Ordinances #90-40 and #85-7, Part II, Chapter 2, Article VI and do not approve the new Purchasing Policy Ordinance.
3. Board Direction.

Recommendation:

Option #1

Attachments:

1. Proposed Purchasing Policy presented at July 21, 2008 Workshop.
2. Proposed Purchasing Card Program Guidelines presented at July 21, 2008 Workshop.
3. Current Purchasing Policy, Ordinance #90-40.
4. Workshop Presentation of July 21, 2008.
5. Proposed New Purchasing Policy Ordinance.