



CASS COUNTY

PURCHASING

POLICIES AND PROCEDURES MANUAL

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PURCHASING POLICIES AND PROCEDURES

The purpose of this manual is to establish uniform policies and procedures for the procurement of materials and services that are consistent with Texas Local Government Codes for Purchasing and Contracting Authority of Counties.

To establish policies and procedures for purchases made with grant funds received from the State or Federal government. The Cass County will implement all terms and conditions for each grant and the appropriate Texas Code or Uniform Guidance as it pertains to each funding source. As Texas Local Government Codes and or Uniform Guidance is updated, this manual will also be updated.

Section. 262.012. COUNTY AUDITORS AS PURCHASING AGENTS IN CERTAIN COUNTIES. (a) The commissioners' court of a county that employs a county auditor jointly with one or more counties under Section [84.008](#) may require the auditor to act as the purchasing agent for the county, in addition to performing the regular duties of the auditor as required by law. The County Auditor shall supervise all purchases made on competitive bid and shall see that all purchased supplies, materials, and equipment are delivered to the proper county officer or department in accordance with the purchase contract.

It is the individual responsibility of each employee involved in the procurement process to understand the policies upon which these procedures are based, the meaning, and intent of the procedures themselves.

If there are any questions relative to policy or procedure, or the ability of the employee to respond effectively to the requirements of the procedures, then it is the responsibility of the employee to bring such matters to the attention of their immediate supervisor before any action is taken.

The fundamental purpose of these procedures is not to restrict the effectiveness of the individuals involved in the procurement, but to provide a foundation for effective and consistent practices resulting in a positive and professional relationship between the Cass County and the vendors from whom we are served.

The County Purchasing Policy is to:

- Seek the best quality, best value, lowest priced goods and services available that meet the needs and delivery requirements of the Cass County personnel.
- Provide all responsible vendors and contractors with equitable access to servicing the needs of the Cass County and its personnel through the competitive bidding of goods and services;
- Comply with all state laws and uniform guidance that apply to the Cass County's purchasing for grant funding opportunities and the policies and procedures in this manual.
- Manage all County assets and inventory so that replacement costs are minimized and the Cass County may account for those assets;
- Disposal of all surplus, salvage and seized and abandoned property in a manner that provides the most benefit to the taxpayers of the county and complies with the law.

The Cass County shall purchase all supplies, materials, and equipment required or used, and contracts for all repairs to property used. The Cass County recognizes the County Auditor as the County Purchasing Agent.

COUNTY PURCHASING ACT

The Purchasing Act applies to all departments: all district, county, precinct officials, employees and subdivisions of all district, county and precinct offices.

The County Purchasing Act provides a general legal and procedural framework that emphasizes price (rather than total cost and value), openness, control, and accountability rather than efficiency. It is the duty of the county's chief procurement official to review and to recommend periodic modifications for improvements that will enhance the efficiency and effectiveness of the procurement function.

In Texas counties there are usually two entities that have the authority to sign procurement documents: the commissioners court as a voting body only, and the county purchasing agent. *The commissioners court must approve all contracts exceeding the statutory limit for supplies, materials, and equipment required or used, and contract for all repairs.* Program officials typically do not have procurement authority unless specifically authorized by commissioner's court under authority of the Purchasing Act or other government code.

VIOLATIONS OF THE ACT

The following purchasing strategies that are made with the intention of avoiding formal competitive bidding are in violation of the law:

- **COMPONENT PURCHASES:** purchasing a series of component parts of an item that normally would be purchased as a whole.
- **SEPARATE PURCHASES:** purchasing goods and services in a series of separate purchases that in normal purchasing practices, would have been purchased in one purchase.
- **SEQUENTIAL PURCHASES:** purchases made over a period of time that in normal purchasing practices would be made as one purchase.

CAUTION: Intentionally separating purchases/invoices to avoid the statutory limit on competitive bidding is a violation of the County Purchasing Act, any county officer or employee is subject to criminal penalties for such activities.

Any commitment to acquire supplies, materials, and equipment required or used, and contract for all repairs that are not covered by a current contract, or where a discretionary exemption has been granted without an authorized purchase order is prohibited. Anyone obligating an expenditure of funds for supplies, materials, and equipment required or used, and contract for all repairs prior to securing a purchase order may be held personally responsible for the payment or the purchase may deemed void and returned to the vendor.

COOPERATIVE PURCHASING PROGRAM

The Cass County may participate in a cooperative purchasing program with another local government or a local cooperative organization.

A local government that is participating in a cooperative purchasing program may sign an agreement with another participating local government or a local cooperative organization stating that the signing local government will:

1. designate a person to act in all matters relating to the program;
2. make payments provided in the agreement; and
3. be responsible for a vendor's compliance with provisions relating to the quality of items and terms of delivery.

A local government that purchases goods or services under this subchapter satisfies any state law requiring the local government to seek competitive bids for the purchase of the goods or service.

Federal funding does not recognize cooperative purchasing programs as a source for competitive bids or proposals. All purchases made with Federal funding over \$50,000 must use competitive bid/proposal.

PROFESSIONAL SERVICES PROCUREMENT ACT

Any commitment to acquire supplies, materials, and equipment required or used, and contract for all repairs that are not covered by a current contract, available from a co-op or where a discretionary exemption has been granted without an authorized purchase order is prohibited. Anyone obligating an expenditure of funds for supplies, materials, and equipment required or used, and contract for all repairs prior to securing a purchase order may be held personally responsible for the payment or the purchase may deemed void and returned to the vendor.

Counties must comply with a host of procurement and financial requirements, including federal procurement requirements which flow through to states and localities receiving federal funds (grants).

BEST VALUE PROCUREMENT POLICY

The Texas Legislature added the ability for County's to utilize best value analysis for any type of procurement where it has been determined it is in the best interest of the County. The Request for Proposal (RFP) method is used where the evaluation is made by established weighted evaluation factors.

Cost plus a percentage of cost and percentage of construction cost methods of contracting

will not be used by the Cass County.

BID/PROPOSALS

The purpose of the procedure is to provide guidance for the regulations that apply to purchases of material, equipment, supplies, and services that are required by law to be a competitive sealed bid or request for proposal,

These regulations and procedures apply to all purchases as follows:

The County as a whole if cost exceeds \$100,000 in the aggregate for a twelve (12) month period.

Construction, maintenance, repair, renovation of a building or materials for a renovation project valued at \$100,000 or more in the aggregate for a twelve (12) month period.

EXEMPTIONS AND EMERGENCY PURCHASES

Some goods and services can be exempt from competitive procurement process if the commissioners court orders the purchase exempt. Section 262.024 of the Texas Local Government Code lists all the circumstances when exemptions are available for purchases made out of current funds, bond funds, or through time warrants.

If an “EMERGENCY” purchase order is needed, approval must be obtained first. ***Improper planning cannot be considered a true emergency. Care should be taken that emergency purchases do not result from improper planning.***

QUOTATIONS

The County Auditor’s office will solicit all quotes or bids.

- **Bid Openings**

The County Auditor will open all bids publicly on the date specified in the notice. All bids for grants will be kept in grant files. All other bids will be kept in the County Auditor’s office.

- **Bid Selection**

The Cass County will base selection on the evaluation factors listed in each bid. The commissioners court may choose to accept or reject the bids.

- **Bonding Requirements**

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold will require bid guarantee, performance bond, and a payment bond on all federally funded projects unless the federal award agency or the pass-through entity has made a determination that the federal interest is adequately protected.

- The Cass County will require a bid guarantee from each bidder equivalent to 5% of the bid prices. The “bid guarantee” must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.
- The Cass County will require a performance bond on the part of the contractor for 100% of the contract price. A “performance bond” is one

executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

- The Cass County will require a payment bond on the part of the contractor for 100% of the contract price. A "payment bond" is one executed in connection with contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

INVENTORY & DISPOSITION

When property is determined to be surplus/salvage, is no longer needed, is in unusable or unsafe condition, it shall be disposed of as outlined below.

Items purchased by Federal Funds, Grant Funds or Asset Forfeitures shall be handled in accordance with their respective regulations.

Surplus/salvage inventory shall be recorded and disposed in the following manner:

1. All property must have Commissioner's Court approval and court action to be declared surplus.
2. Once the item or items have been declared surplus, then it can be sold, salvaged, or disposed.
3. The County Auditor's office will remove from the Cass County inventory all items that have been declared surplus.

VENDOR RELATIONS

It is Cass County's policy to maintain and practice the highest possible standards of business ethics, professional courtesy, and competence in all of our dealings. At all times, applicable laws must be scrupulously observed. In this regard, the following should be observed when dealing with suppliers and/or their representatives:

- A. To accord prompt and courteous reception, as well as fair and equal treatment, to all suppliers and their representatives,
- B. Provide equal opportunity for all suppliers to offer price quotes and products,
- C. Guarantee the confidentiality of all price quotations made by vendors, until awarded,
- D. Remain scrupulously free from obligations to any supplier,
- E. Keep informed about sources of supply, current methods, services, and material; encourage their testing of new product samples; and
- F. If, for any reason, one vendor is permitted to re-quote, his competitors will be given the same opportunity. Re-quoting should be restricted to an absolute minimum.

ETHICAL PRACTICES

Policy

It is the policy of Cass County that the following ethical principles will govern the conduct of every employee involved directly or indirectly in the County procurement process.

Responsibility to County

Employees will avoid any activities that would compromise or give the perception of compromising the best interest of Cass County. Employees will not use confidential proprietary information for actual or anticipated personal gain.

CONFLICT OF INTEREST

Employees of the Cass County shall not engage in any employment, relationship, or activity which could be viewed as a conflict of interest because of the potential or appearance of affecting the employee's job efficiency, or which would reduce his/her ability to make objective decisions in regard to his/her work and responsibility as a Cass County employee.

Employees involved in conflict-of-interest situations shall be subject to discipline, up to and including termination and these actions may have criminal consequences for employees.

Activities which constitute a conflict of interest shall include but not be limited to:

- (1) Soliciting, accepting, or agreeing to accept a financial benefit, gift, or favor, other than from the County, that might reasonably tend to influence the employee's performance of duties for the County or that the employee knows or should know is offered with the intent to influence the employee's performance;
- (2) Accepting employment, compensation, gifts, or favors that might reasonably tend to induce the employee to disclose confidential information acquired in the performance of official duties;
- (3) Accepting outside employment, compensation, gifts, or favors that might reasonably tend to impair independence of judgment in performance of duties for the County;
- (4) Making any personal investment that might reasonably be expected to create a substantial conflict between the employee's private interest and his or her duties for the County; or
- (5) Soliciting, accepting, or agreeing to accept a financial benefit from another person in exchange for having performed duties as a County employee in favor of that person. *{Cass County Personnel Policy}*

Subcontractor

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

Confidential Information

It shall be a breach of ethics for any employee or former employee of Cass County knowingly to use confidential information for actual or anticipated personal gain or for the actual or anticipated gain of any person.

Perception

Employees will avoid any appearance of unethical or compromising practices in all relationships, actions, and communications.

Gratuities

Employees will never solicit or accept money, loans, gifts, favors, or anything of value, from present

or potential vendors which might influence or appear to influence any purchasing decision. Generally edible goods with a value of \$50.00 or less are acceptable if shared with the entire staff and will not offend the prohibition unless it appears to influence a purchasing decision. If anyone is in doubt whether a transaction complies with this policy, the individual should disclose the transaction to the County Auditor for interpretation.

UNNECESSARY PURCHASES PROHIBITED

Cass County shall avoid purchasing unnecessary or duplicative items. Every grant-funded purchase must meet the definition of an “allowable cost” per the federal administrative requirements.

ENCOURAGE PARTNERING

Cass County encourages partnering with state and local governments to reduce costs within our regional area, state and nation.

PROMOTE USE OF FEDERAL EXCESS AND SURPLUS PROPERTY

Cass County encourages the use of federal excess or surplus property instead of purchasing new property so as to reduce project costs.

REQUIRE THE USE OF RESPONSIBLE AND REPUTABLE CONTRACTORS

Cass County is required to use responsible and reputable contractors. Cass County will consider the integrity, past performance, competency, and other factors in the selection of contractors. Cass County will not contract with contractors that have been suspended or debarred. This will be verified using SAM.GOV and the documentation will be kept in the grants file.

REQUIRE RECORD OF PROCUREMENT

Cass County will keep a detailed record of procurements. Specifically, Cass County will record why a particular procurement method was chosen, the contract type, factors contributing to the selection and rejection of contractors, and the basis of the contract price.

DISCOURAGE USE OF TIME AND MATERIAL CONTRACTS

Cass County discourages the use of time and material contracts due to the open-ended contract price. If Cass County uses a time and materials contract there will be a ceiling price that will be enforced to monitor the efficiency of the contract.

NON-COMPETITIVE PRACTICES

Cass County and their subrecipients shall avoid actual, or the appearance of, conflicts of interest or non-competitive practices which may restrict or eliminate competition or otherwise restrain trade.

Contractors that develop or draft specifications, statements of work, and/or invitations for bids, Requests for Proposals (RFPs) for a proposed procurement shall be excluded from bidding or submitting a proposal to compete for the award of such procurement.

- **Contractor Management**

Cass County provides contractor oversight to make sure that contractors perform their responsibilities consistent with the terms and conditions of their purchase orders and contracts.

- **Affirmative Steps**

Cass County takes all necessary affirmative steps to ensure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

SOLICITATION OF GOODS AND SERVICES

The following must be in all solicitations for goods and services:

- Description of good or services needed
- Should not have language that unduly restricts competition
- Describe bidder requirements including bond, lump-sum or unit pricing, and method of payment by the county
- Evaluation factors
- Clear, accurate and technical requirements spelled out in terms of the "functions to be performed"
- If uses terms "brand name or equivalent" the specific features of that brand should be included
- Include a range of acceptable characteristics or minimum standards without impairing competition

The notice will be published at least once a week in a newspaper of general circulation in the county, with the first day of publication occurring at least 14 days before the date of the bid opening. Trade secrets and confidential information contained in the bid/ proposal, so identified by offeror as such, will be treated as confidential by Cass County to the extent allowable in the Open Records Act.

Federally-Mandated Procurement Contract Provisions

Updated 01/27/2026

All contracts awarded by Cass County to subcontractors and involving a grant-funded purchase of goods or services, including small purchases, must include certain federally-mandated procurement contract provisions, including:

2 C.F.R. § 200.318. General procurement standards.

- (a) The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part.
- (b) Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
- (c) Conflicts of Interest
 - (1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.
 - (2) If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.
- (d) The non-Federal entity's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.
- (e) To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal Government, the non-Federal entity is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.

- (f) The non-Federal entity is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
- (g) The non-Federal entity is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.
- (h) The non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. See also § 200.213 Suspension and debarment.
- (i) The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
- (j) The non-Federal entity may use a time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to a non-Federal entity is the sum of:
 - i. The actual cost of materials; and
 - ii. Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

(2) Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the non-Federal entity awarding such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.
- (k) The non-Federal entity alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the non-Federal entity unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction.

200.319 Competition.

- (a) All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section.
- (b) In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements.
- (c) Some of the situations considered to be restrictive of competition include but are not limited to:
 - (1) Placing unreasonable requirements on firms in order for them to qualify to do business;
 - (2) Requiring unnecessary experience and excessive bonding;

- (3) Noncompetitive pricing practices between firms or between affiliated companies;
 - (4) Noncompetitive contracts to consultants that are on retainer contracts;
 - (5) Organizational conflicts of interest;
 - (6) Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurement; and
 - (7) Any arbitrary action in the procurement process.
- (d) The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.
 - (e) The non-Federal entity must have written procedures for procurement transactions. These procedures must ensure that all solicitations:
 - (1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and
 - (2) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
 - (f) The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.
 - (g) Noncompetitive procurements can only be awarded in accordance with § 200.320(c).

§ 200.320 Procurement methods

There are three types of procurement methods described in this section: informal procurement methods (for micro-purchases and simplified acquisitions); formal procurement methods (through sealed bids or proposals); and noncompetitive procurement methods. For any of these methods, the non-Federal entity must maintain and use documented procurement procedures, consistent with the standards of this section and [§§ 200.317](#), [200.318](#), and [200.319](#).

- (a) ***Informal procurement methods for small purchases.*** These procurement methods expedite the completion of transactions, minimize administrative burdens, and reduce costs. Informal procurement methods may be used when the value of the procurement transaction under the Federal award does not exceed the simplified acquisition threshold as defined in [§ 200.1](#). The non-Federal entity may also establish a lower threshold. Informal procurement methods include:
 - (1) ***Micro-purchases*** —

- (i) ***Distribution.*** The aggregate amount of the procurement transaction does not exceed the micro-purchase threshold defined in [§ 200.1](#). To the extent practicable, the non-Federal entity should distribute micro-purchases equitably among qualified suppliers.
- (ii) ***Micro-purchase awards.*** Micro-purchases may be awarded without soliciting competitive price or rate quotations if the non-Federal entity considers the price reasonable based on research, experience, purchase history, or other information; and maintains documents to support its conclusion. Purchase cards may be used as a method of payment for micro-purchases.
- (iii) ***Micro-purchase thresholds.*** The non-Federal entity is responsible for determining and documenting an appropriate micro-purchase threshold based on internal controls, an evaluation of risk, and its documented procurement procedures. The micro-purchase threshold used by the non-Federal entity must be authorized or not prohibited under State, local, or tribal laws or regulations. The non-Federal entity may establish a threshold higher than the Federal threshold established in the Federal Acquisition Regulations (FAR) in accordance with [paragraphs \(a\)\(1\)\(iv\)](#) and [\(v\)](#) of this section.
- (iv) ***Non-Federal entity increase of the micro-purchase threshold up to \$50,000.*** The non-Federal entity may establish a threshold higher than the micro-purchase threshold identified in the FAR in accordance with the requirements of this section. The non-Federal entity may self-certify a threshold up to \$50,000 on an annual basis and must maintain documentation to be made available to the Federal agency or pass-through entity and auditors in accordance with [§ 200.334](#). The self-certification must include a justification, clear identification of the threshold, and supporting documentation of any of the following:
 - (A) A qualification as a low-risk auditee, in accordance with the criteria in [§ 200.520](#) for the most recent audit;
 - (B) An annual internal institutional risk assessment to identify, mitigate, and manage financial risks; or,
 - (C) For public institutions, a higher threshold is consistent with State law.
- (v) ***Non-Federal entity increase to the micro-purchase threshold over \$50,000.*** Micro-purchase thresholds higher than \$50,000 must be approved by the cognizant agency for indirect costs. The non-Federal entity must submit a request that includes the requirements in [paragraph \(a\)\(1\)\(iv\)](#) of this section. The increased threshold is valid until any factor that was relied on in the establishment and rationale of the threshold changes.

(2) ***Simplified acquisitions***

- (i) ***Simplified acquisition procedures.*** The aggregate dollar amount of the procurement transaction is higher than the micro-purchase threshold but does not exceed the simplified acquisition threshold. If simplified acquisition procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources. Unless specified by the Federal agency, the non-Federal entity may exercise judgment in determining what number is adequate.
 - (ii) ***Simplified acquisition thresholds.*** The non-Federal entity is responsible for determining an appropriate simplified acquisition threshold based on internal controls, an evaluation of risk, and its documented procurement procedures, which may be lower than, but must not exceed, the threshold established in the FAR.
- (b) ***Formal procurement methods.*** Formal procurement methods are required when the value of the procurement transaction under a Federal award exceeds the simplified acquisition threshold of the non-Federal entity. Formal procurement methods are competitive and require public notice. The following formal methods of procurement are used for procurement transactions above the simplified acquisition threshold determined by the recipient or subrecipient in accordance with [paragraph \(a\)\(2\)\(ii\)](#) of this section:

(1) **Sealed bids.** This is a procurement method in which bids are publicly solicited through an invitation and a firm fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid conforms with all the material terms and conditions of the invitation and is the lowest in price. The sealed bids procurement method is preferred for procuring construction services.

(i) For sealed bidding to be feasible, the following conditions should be present:

- (A) A complete, adequate, and realistic specification or purchase description is available;
- (B) Two or more responsible bidders have been identified as willing and able to compete effectively for the business; and
- (C) The procurement lends itself to a firm-fixed-price contract, and the selection of the successful bidder can be made principally based on price.

(ii) If sealed bids are used, the following requirements apply:

- (A) Bids must be solicited from an adequate number of qualified sources, providing them with sufficient response time prior to the date set for opening the bids. Unless specified by the Federal agency, the non-Federal entity may exercise judgment in determining what number is adequate. For local governments, the invitation for bids must be publicly advertised.
- (B) The invitation for bids must define the items or services with specific information, including any required specifications, for the bidder to properly respond;
- (C) All bids will be opened at the time and place prescribed in the invitation for bids. For local governments, the bids must be opened publicly.
- (D) A firm-fixed-price contract is awarded in writing to the lowest responsive bid and responsible bidder. When specified in the invitation for bids, factors such as discounts, transportation cost, and life-cycle costs must be considered in determining which bid is the lowest. Payment discounts must only be used to determine the low bid when the recipient or subrecipient determines they are a valid factor based on prior experience.
- (E) The non-Federal entity must document and provide a justification for all bids it rejects.

(2) **Proposals.** This is a procurement method used when conditions are not appropriate for using sealed bids. This procurement method may result in either a fixed-price or cost-reimbursement contract. They are awarded in accordance with the following requirements:

- (i) Requests for proposals require public notice, and all evaluation factors and their relative importance must be identified. Proposals must be solicited from multiple qualified entities. To the maximum extent practicable, any proposals submitted in response to the public notice must be considered.
- (ii) The non-Federal entity must have written procedures for conducting technical evaluations and making selections.
- (iii) Contracts must be awarded to the responsible offeror whose proposal is most advantageous to the recipient or subrecipient considering price and other factors; and
- (iv) The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby the offeror's qualifications are evaluated, and the most qualified offeror is selected, subject to negotiation of fair and reasonable compensation. The method, where the price is not used as a selection factor, can only be used to procure architectural/engineering (A/E) professional services. The method may not be used to purchase other services provided by A/E firms that are a potential source to perform the proposed effort.

(c) **Noncompetitive procurement.** There are specific circumstances in which the non-Federal entity may use a noncompetitive procurement method. The noncompetitive procurement method may only be used if one of the following circumstances applies:

- (1) The aggregate amount of the procurement transaction does not exceed the micro-purchase threshold (see [paragraph \(a\)\(1\)](#) of this section);
- (2) The procurement transaction can only be fulfilled by a single source;
- (3) The public exigency or emergency for the requirement will not permit a delay resulting from providing public notice of a competitive solicitation;
- (4) The recipient or subrecipient requests in writing to use a noncompetitive procurement method, and the Federal agency or pass-through entity provides written approval; or
- (5) After soliciting several sources, competition is determined inadequate

§ 200.321 Contracting with small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms.

- (a) When possible, the non-Federal entity should ensure that small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms (See U.S. Department of Labor's list) are considered as set forth below.
- (b) Such consideration means:
 - (1) These business types are included on solicitation lists;
 - (2) These business types are solicited whenever they are deemed eligible as potential sources;
 - (3) Dividing procurement transactions into separate procurements to permit maximum participation by these business types;
 - (4) Establishing delivery schedules (for example, the percentage of an order to be delivered by a given date of each month) that encourage participation by these business types;
 - (5) Utilizing organizations such as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
 - (6) Requiring a contractor under a Federal award to apply this section to subcontracts.

§ 200.322 Domestic preferences for procurements.

- (a) The non-Federal entity should, to the greatest extent practicable and consistent with law, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards, contracts, and purchase orders under Federal awards.
- (b) For purposes of this section:
 - (1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
 - (2) "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.
- (c) Federal agencies providing Federal financial assistance for infrastructure projects must implement the Buy America preferences set forth in [2 CFR part 184](#).

§ 200.323 Procurement of recovered materials.

- (a) A non-Federal entity that is a State agency or agency of a political subdivision of a State and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 as amended, [42 U.S.C. 6962](#). The requirements of Section 6002 include procuring only items designated in the guidelines of the Environmental Protection Agency (EPA) at [40 CFR part 247](#) that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
- (b) The non-Federal entity should, to the greatest extent practicable and consistent with law, purchase, acquire, or use products and services that can be reused, refurbished, or recycled; contain recycled content, are biobased, or are energy and water efficient; and are sustainable. This may include purchasing compostable items and other products and services that reduce the use of single-use plastic products. See Executive Order 14057, section 101, Policy.

§ 200.324 Contract cost and price.

- (a) The non-Federal entity must perform a cost or price analysis for every procurement transaction, including contract modifications, in excess of the simplified acquisition threshold. The method and degree of analysis conducted depend on the facts surrounding the particular procurement transaction. For example, the non-Federal entity should consider potential workforce impacts in their analysis if the procurement transaction will displace public sector employees. However, as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.
- (b) Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that the costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under [subpart E of this part](#). The non-Federal entity may reference its own cost principles as long as they comply with [subpart E of this part](#).
- (c) The non-Federal entity must not use the “cost plus a percentage of cost” and “percentage of construction costs” methods of contracting.

§ 200.325 Federal agency or pass-through entity review.

- (a) The Federal agency or pass-through entity may review the technical specifications of proposed procurements under the Federal award if the Federal agency or pass-through entity believes the review is needed to ensure that the item or service specified is the one being proposed for acquisition. The non-Federal agency must submit the technical specifications of proposed procurements when requested by the Federal agency or pass-through entity. This review should take place prior to the time the specifications are incorporated into a solicitation document. When the recipient or subrecipient desires to accomplish the review after a solicitation has been developed, the

Federal agency or pass-through entity may still review the specifications. In those cases, the review should be limited to the technical aspects of the proposed purchase.

- (b) When requested, the non-Federal entity must provide procurement documents (such as requests for proposals, invitations for bids, or independent cost estimates) to the Federal agency or pass-through entity for pre-procurement review. The Federal agency or pass-through entity may conduct a pre-procurement review when:
 - (1) The recipient's or subrecipient's procurement procedures or operation fails to comply with the procurement standards in this part;
 - (2) The procurement is expected to exceed the simplified acquisition threshold and is to be awarded without competition, or only one bid is expected to be received in response to a solicitation;
 - (3) The procurement is expected to exceed the simplified acquisition threshold and specifies a "brand name" product;
 - (4) The procurement is expected to exceed the simplified acquisition threshold, and a sealed bid procurement is to be awarded to an entity other than the apparent low bidder; or
 - (5) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the simplified acquisition threshold.
- (c) The non-Federal agency is exempt from the pre-procurement review in paragraph (b) of this section if the Federal agency or pass-through entity determines that its procurement systems comply with the standards of this part.
 - (1) The non-Federal entity may request that the Federal agency or pass-through entity review its procurement system to determine whether it meets these standards for its system to be certified. Generally, these reviews must occur where there is continuous high-dollar funding and third-party contracts are awarded regularly.
 - (2) The non-Federal entity may self-certify its procurement system. However, self-certification does not limit the Federal agency's or pass-through entity's right to review the system. Under a self-certification procedure, the Federal agency or pass-through entity may rely on written assurances from the non-Federal entity that it is complying with the standards of this part. The non-Federal entity must cite specific policies, procedures, regulations, or standards as complying with these requirements and have its system available for review.

§ 200.326 Bonding requirements.

The Federal agency or pass-through entity may accept the non-Federal entity's bonding policy and requirements for construction or facility improvement contracts or subcontracts exceeding the simplified acquisition threshold. Before doing so, the Federal agency or pass-through entity must determine that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

- (a) A bid guarantee from each bidder equivalent to five percent of the bid price. The bid guarantee must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute any required contractual documents within the specified timeframe.
- (b) A performance bond on the contractor's part for 100 percent of the contract price. A performance bond is a bond executed in connection with a contract to secure the fulfillment of all the contractor's requirements under a contract.
- (c) A payment bond on the contractor's part for 100 percent of the contract price. A payment bond is a bond executed in connection with a contract to assure payment as required by the law of all persons supplying labor and material in the execution of the work provided for under a contract.

§ 200.327 Contract provisions.

The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part ZOO-Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

- (A) Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by [41 U.S.C. 1908](#), must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
- (B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
- (C) Equal Employment Opportunity. Except as otherwise provided under [41 CFR Part 60](#), all contracts that meet the definition of “federally assisted construction contract” in [41 CFR Part 60-1.3](#) must include the equal opportunity clause provided under [41 CFR 60-1.4\(b\)](#), in accordance with [Executive Order 11246](#), “Equal Employment Opportunity” ([30 FR 12319, 12935, 3 CFR Part, 1964-1965](#) Comp., p. 339), as amended by [Executive Order 11375](#), “Amending [Executive Order 11246](#) Relating to Equal Employment Opportunity,” and implementing regulations at [41 CFR part 60](#), “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”
- (D) Davis-Bacon Act, as amended ([40 U.S.C. 3141-3148](#)). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act ([40 U.S.C. 3141-3144](#), and [3146-3148](#)) as supplemented by Department of Labor regulations ([29 CFR Part 5](#), “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act ([40 U.S.C. 3145](#)), as supplemented by Department of Labor regulations ([29 CFR Part 3](#), “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in

the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act ([40 U.S.C. 3701-3708](#)). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with [40 U.S.C. 3702](#) and [3704](#), as supplemented by Department of Labor regulations ([29 CFR Part 5](#)). Under [40 U.S.C. 3702](#) of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of [40 U.S.C. 3704](#) are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under [37 CFR § 401.2 \(a\)](#) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of [37 CFR Part 401](#), “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

(G) Clean Air Act ([42 U.S.C. 7401-7671q](#).) and the Federal Water Pollution Control Act ([33 U.S.C. 1251-1387](#)), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act ([42 U.S.C. 7401-7671q](#)) and the Federal Water Pollution Control Act as amended ([33 U.S.C. 1251-1387](#)). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see [2 CFR 180.220](#)) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at [2 CFR 180](#) that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than [Executive Order 12549](#).

(I) Byrd Anti-Lobbying Amendment ([31 U.S.C. 1352](#))—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by [31 U.S.C. 1352](#). Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See [§ 200.323](#).

(K) See [§ 200.216](#).

(L) See [§ 200.322](#).

PURCHASING CREDIT CARD POLICY AND PROCEDURES

UPDATED 01/13/2026

1. PURPOSE

The purpose of this policy is to establish procedures for the use of County Credit Cards. This policy is being established in order to provide immediate access to goods and/or services. All Credit Card purchases shall adhere to all purchasing statutes, rules, policies and procedures when using the card. The use of a credit card does not automatically exempt a governmental agency or its officers or its employees from any purchasing requirements of state law.

Cardholders must remember that this is a *payment method only*.

2. ATTACHMENTS

- **Employee Agreement**
- **Enrollment/Request**
- **Dispute Report**
- **Document Submission Form**

3. DEFINITIONS

- 3.1. Vendor: A company (partnership, sole proprietorship, or corporation) from which a cardholder is purchasing materials and/or equipment or services under the provisions of this procedure.
- 3.2. Cardholder: Personnel who have been authorized to use a Procurement Card and who are authorized to make purchases in accordance with these procedures.
- 3.3. Department Procurement Card Coordinator: The person responsible for all program details, including all cardholder inquires.
- 3.4. Statement of Account: This is the monthly listing of all transactions by the cardholder, issued by the bank and distributed to the cardholder.
- 3.5. Requisitioner: An employee who has a need for materials or services that can only be fulfilled by a vendor. Under this Procurement Card Procedure, a requisitioner may be a cardholder.
- 3.6. Card Issuer Account Manager: Managing representative from the bank who issues the Procurement Card.
- 3.7. Unauthorized Purchase: Any use of the Procurement Card that does not comply with all requirements of this policy.
- 3.8. Procurement Card Administrator: Purchasing Agent representative.
- 3.9. Original Transaction Documentation: Onsite documented evidence of procurement.
- 3.10. Bank– The bank selected by the County to provide the credit card program.

4. PROCEDURE

This program is being established in order to provide a more rapid turnaround of purchases for low-dollar value goods and to reduce paperwork and handling costs. By using the Procurement Card, you dramatically shorten the purchase time and payment of purchases. Those requisitioners who have been issued Procurement Cards may now initiate transactions in person, by telephone, or on the internet, within the limits of this procedure and receive goods. Purchases must first be approved by the Purchasing Agent's Office with the exception of the following: 1) travel arrangements (hotel,

airfare, car rental, registration fees, and fee for service transportation (i.e. cab or airport shuttle)) in accordance with Cass County Travel Policy, 2) County declared disasters and emergency response events (within the single limit purchase stated herein) or 3) Item serves a public purpose (within the single limit purchase stated herein). The Cardholder must provide a printed copy of the approval email (dated prior to purchase) from Purchasing with necessary documentation, if required. This program also relieves employees and officials of the burden of using personal funds to pay material travel and training expenses such as lodging, airfare, rental car, and registration. Payments to vendors are made via the MasterCard settlement system. Accounts payable will make monthly settlements with the Bank.

5. DEPARTMENT PROCUREMENT CARD COORDINATOR:

- 5.1. Elected Officials/Department Heads must designate a department procurement card coordinator to oversee their department's expenditures and receipts.
- 5.2. Department procurement card coordinators are responsible for receiving transaction documentation, matching transaction documentation, and submitting to the Auditor's Office for payment. **The original transaction documentation must be submitted to the Auditor's Office on the documentation submission form within three (3) days after the transaction date or within two (2) days after the cardholder returns to work after the transaction date.** Copies of all documentation must be kept by the Department Procurement Card Coordinator to allow reconciliation at the end of the month.
- 5.3. Department procurement card coordinators will contact the Procurement Card Administrator to order new cards, cancel cards, or request limit changes on the card.

6. RECEIVING A PROCUREMENT CARD

- 6.1. Elected Officials/Department Heads and managers may propose personnel to be cardholders by having their department procurement card coordinator complete the enrollment request form and submitting to the Procurement Card Administrator.
- 6.2. The proposed cardholder shall be issued a copy of this procedure, sign an Enrollment Request Form and an Employee Agreement. The Agreement (Attachment 1) indicates that the cardholder understands the procedure and the responsibilities of a cardholder. The Enrollment Form (Attachment 2) contains all information required to properly enter the Cardholder in the Procurement Card Program. On the Enrollment Form, the Elected Official/Department Head will designate:
 - 6.2.1. a monthly purchase limit
 - 6.2.2. purchases or uses requested for the cardholder
 - 6.2.3. justification for any commodity purchases
- 6.3. The maximum limit shall be \$500.00 for a single purchase with the exception of travel arrangements (hotel, airfare, car rental, and registration fees in accordance with Cass County Travel Policy) or item serves a public purpose or with written approval by Purchasing Agent's Office.
- 6.4. The Procurement Card Administrator shall maintain all records of Procurement Card requests, limits, cardholder transfers, and lost/stolen/ destroyed card information.

7. AUTHORIZED PURCHASING CARD USE

- 7.1. The Department's unique procurement card will have the Department name embossed on it and shall ONLY be used by authorized cardholders. NO OTHER PERSON IS AUTHORIZED to use that card. The cardholder may make transactions on behalf of others in their department with the approval of a supervisor authorized to approve such purchases. However, the Department Head/Elected Official is responsible for all use of their card.

7.2. Use of the Procurement Card shall be limited to the following conditions:

- 7.2.1. A total value of a transaction shall not exceed a cardholder's single purchase limits. Payment of a purchase WILL NOT be split into multiple transactions to stay within the limit.
- 7.2.2. Transaction volumes must not be exceeded (i.e. # and \$ amount of authorized transactions).
- 7.2.3. Spending limits and commodity restrictions must be adhered to.
- 7.2.4. Fuel purchased while out-of-County on official business: only when traveling in County vehicle, or during County declared disasters or emergency response events.
- 7.2.5. Fuel purchased while in-county: only when travelling in County vehicle, and county fuel site isn't available.
- 7.2.6. County declared disasters or emergency response events (within the single purchase limit stated herein).
- 7.2.7. Item serves a public purpose (within the single limit purchase stated herein).
- 7.2.8. The Credit Card is provided and utilized to make basic travel registration and small or spot purchases of business-related goods and services.
- 7.2.9. All Credit Card purchases must follow County of Cass's Procurement Policies.

8. UNAUTHORIZED CREDIT CARD USE:

- 8.1. Cass County may not use a credit card and may not reimburse an officer or employee for use of said credit card for the following:
 - 8.1.1. A purchase of a personal nature or any other purchase not connected with county business.
 - 8.1.2. A cash advance
 - 8.1.3. Charges for entertainment
 - 8.1.4. Purchases made in attempt to bypass the normal purchasing policy
 - 8.1.5. A purchase that violates any provision of state law or County of Cass's Procurement Policies and Procedures.
 - 8.1.6. Under "no" circumstances should an authorized credit card user allow another person to use the county credit cards either by physically having the card in their possession or by giving a card number to another individual or vendor so as to allow someone other than the designated cardholder to use the card.
 - 8.1.7. Personal purchases or purchases for family members or friends or for identification.
 - 8.1.8. A single purchase that exceeds the monthly limit or the Cardholder's single purchase limit; unless a higher limit has been agreed in writing with the Elected Official/ Department Head.
 - 8.1.9. Entertainment expense or meals and travel expenses for non-County related business.
 - 8.1.10 Alcoholic Beverages.
 - 8.1.11 Any additional items/services as may be restricted by County policy.
- 8.2 Any person(s) who makes unauthorized purchases, carelessly uses the card, or fails to turn in the appropriate documentation in a timely manner, will be liable for the total dollar amount of such unauthorized purchases, plus any administrative fee charged by the bank in connection with misuse.

9 MAKING A PURCHASE

Each cardholder is responsible for ensuring the transaction will be accurately executed before completion of the transaction. To achieve this the cardholder will utilize the following "checklist" when making a purchase (before and during the transaction):

- 9.1 Coordinate with Purchasing to determine if vendors and prices have already been established for the required goods. If not, solicit a number of sources according to policy. If vendors

furnish standing price quotations or catalog prices on a recurring basis, check that the price listed is current.

- 9.2 Assure that sales taxes are not added to the purchase. You must require that the supplier remove any sales tax before completing the transaction. If you are executing an on-line transaction, you must review the transaction before submission. If the supplier refuses to honor the County's tax-exempt status, you may not use the Procurement Card for the purchase. The two (2) exceptions to this requirement are hotel occupancy taxes and fuel taxes, which are allowable charges to the Procurement Card.

10 CARDHOLDER RECORD KEEPING

- 10.1 Whenever a purchasing card purchase is made, either over the counter, by telephone, or internet, documentation shall be retained as proof of the purchase. Such documentation will be used to verify the purchases listed on the monthly statement. An itemized listing (receipts) of all items purchased shall be forwarded with the voucher to the County Auditor for processing.
- 10.2 When the purchase is made over the counter, the Cardholder shall retain the invoice and "customer" copy of the charge receipt. Prior to signing this slip, the Cardholder is responsible for making sure that the vendor lists the quantity, and fully describes the item(s) on the charge slip.

11 REVIEW AND SUBMISSION OF TRANSACTION DOCUMENTATION

- 11.1 The Department Procurement Card Coordinator shall prepare and submit the documentation (packing slip, invoice, cash register tape, and Procurement Card slips, etc.) provided by the cardholder on the **documentation submission form to the Auditor's Office within three (3) days of the transaction date or within two (2) days after the cardholder returns to work after the transaction date.**
- 11.2 The Auditor's Office shall reconcile the cardholder's transaction documentation to the online activity and confirm the following items as a minimum:
 - 11.2.1 Detailed/itemized receipts and shipping documents exist for each purchase.
 - 11.2.2 The goods were received or the services were performed.
 - 11.2.3 The cardholder has complied with applicable procedures, including this Procurement Card procedure.
 - 11.2.4 The Department Procurement Card Coordinator signs each documentation submission form ensuring each transaction was authorized and executed in accordance with the applicable policies and procedures.
- 11.3 The original detailed/itemized sales documents (packing slip, invoice, cash register tape, and Procurement Card slips, etc.) for all purchases **MUST** be neatly attached on the documentation submission form and submitted to the Auditor's Office within three (3) days of the transaction or within two (2) days after the cardholder returns to work after the transaction date. Each documentation submission form must include: department name; cardholder name; accounting distribution; transaction description; and Department Procurement Card coordinator signature. This data is critical to enable audit substantiation. **IF THIS PROCEDURE IS NOT ADHERED TO, the transaction will be considered an unauthorized purchase resulting in card revocation upon the second occurrence within a 12 month period.**
- 11.4 If the cardholder does not have documentation of a transaction the cardholder shall attach a signed documentation submission form that includes a description of the item(s) purchased, date of purchase, vendor's name and reason for lack of supporting documentation. The cardholder must also remit a full reimbursement by check or money order to the Treasurer's

Office for the unauthorized purchase and include a copy of the payment and Treasurer's receipt with the statement submitted to the Auditor's Office.

- 11.5 Procurement Card Returns – If the wrong item is received, is not satisfactory, or damaged and/or defective, duplicate order, etc., the cardholder shall make contact with the vendor to explain the problem to inquire about return policies.
- 11.6 When disputing a charge the cardholder shall:
 - 11.6.1 First contact Vendor in an effort to determine a resolution. If that does not correct the issue,
 - 11.6.2 The cardholder shall contact Department Procurement Card Coordinator who will then contact the Procurement Card Administrator.
 - 11.6.3 Complete a dispute Report (Attachment 3) and submit same to the Department Procurement Card Coordinator who will then submit to the Procurement Card Administrator. Immediate action to resolve a dispute is of extreme importance.
 - 11.6.4 If an item has been returned and a credit voucher received, the cardholder shall verify to the Auditor's Office that this credit will be reflected on the monthly statement. Under no circumstances are cardholders to accept a cash refund.
 - 11.6.5 If items purchased by the use of the procurement Card are found to be unacceptable, the cardholder is responsible for obtaining replacement or correction of the item immediately. If the vendor has not replaced or corrected the item within 10 business days, then the purchase of that item will be considered in dispute.

12 CARD SECURITY

- 12.1 It is the cardholder's responsibility to safeguard the Procurement Card and account number to the same degree that a cardholder safeguards his/her personal credit information.
 - 12.1.1 The cardholder must not allow anyone to use their account number. A violation of this trust will result in that cardholder having their card withdrawn and disciplinary action may occur.
- 12.2 If the Procurement Card is lost or stolen the cardholder shall immediately notify Department Procurement Card Coordinator who in turn will notify the Procurement Card Administrator.
- 12.3 A new Procurement Card shall be promptly issued to the cardholder after the reported loss or theft. A Procurement Card that is subsequently found by the cardholder after being reported lost shall be sent to Procurement Card Administrator and destroyed.
- 12.4 Failure to notify the Department Procurement Card Coordinator or Procurement Card Administrator of a lost or stolen Procurement Card immediately shall result in procurement card program revocation, disciplinary action, up to and including termination.

13 CARDHOLDER SEPARATION

Prior to separation from the County or transfer to another department, the cardholder shall surrender the Procurement Card and current Procurement Card purchasing log to Department Procurement Card Coordinator. Upon receipt, the Department Procurement Card Coordinator shall deliver to the Procurement Card Administrator. Please be aware that the responsibility of the void card remains with the cardholder/ Department Head until it has been received by the Procurement Card Administrator

EMPLOYEE CARD AGREEMENT

I, _____, hereby request the use of a Procurement Card through the County's Procurement Card Program. As a cardholder, I agree to comply with the following terms and conditions regarding card utilization.

I understand that I am being entrusted with the Procurement Card and will be making financial commitments on behalf of the County.

I understand that the County is liable to the card issuer for all charges made on the card. I understand that I am personally liable for all charges not in compliance with this Agreement or with the Cass County Procurement Card Policy Procedures Manual, (the Manual).

I agree to use the Procurement Card for purchases in compliance with the Manual and agree not to make personal purchases or any purchase in violation of the policy set forth in the Manual. I understand that the County Auditor and/or Procurement Card Administrator will audit the use of the Procurement Card and that appropriate actions will be taken to enforce this Agreement and violations of the Manual. Failure to follow the Manual may result in the revocation of my use of the Procurement Card and other possible disciplinary actions, including termination

I have received a copy of the Manual and understand the requirements of the use of the Procurement Card. I agree to return the Procurement Card immediately upon request or upon termination of my employment (including retirement).

If the Procurement Card is lost or stolen, I agree to notify the Department Procurement Card Coordinator immediately. I further agree to safeguard the Procurement Card in the same manner that I safeguard my personal financial items and information, such as cash, checks, and credit cards. If the Procurement Card is used in a manner not authorized by the Manual, I agree to notify the Department Procurement Card Coordinator immediately.

I understand that the burden of proof will be upon me to show that the items purchased were made in compliance with the policy as set forth in the Manual. I agree to comply with competitive procurement policies and will obtain the best value when using the Procurement Card to make a purchase.

Purchases made in violation of the policy as set forth in the Manual will subject me to personal liability for the total dollar amount of such unauthorized purchase(s).

Elected Official Department Head

Department

Date

Auditor

Date

ENROLLMENT/REQUEST FORM

This form is to request and/or enroll in the County's Procurement Card Program. I understand that if approved, I will be issued a Procurement Card to be used for official County business only. As a cardholder, I understand that I will be required to sign a Procurement Card Agreement prior to issuance of a Procurement Card.

DEPARTMENT: _____

DEPARTMENT HEAD NAME: _____

EMAIL ADDRESS: _____

AUTHORIZED USERS: _____

For Procurement Card Coordinator Use Only

Card Number:

Expiration Date:

As cardholder, my signature acknowledges that I have received the listed Procurement Card, training and Procurement Card procedures manual.

Cardholder Signature

Date

DISPUTE REPORT

In accordance with the Cass County Procurement Card Program procedures, the listed product/service is in dispute:

Item Ordered:	_____
Date Ordered:	_____
Date Received:	_____
Authorized Amount:	_____
Statement Amount:	_____
Vendor:	_____

Card Number:	_____
Cardholder Name:	_____
Phone Number:	_____
Department:	_____
Department Account:	_____

Reason for Dispute: _____

Actions taken to Remedy: _____

DEFINITIONS

Auditor- Cass County Auditor and his designated representatives.

Change order - A document used in construction contracts that changes the contract by increasing or decreasing the cost or the time for performance or changes the goods or services to be delivered.

Commissioners Court – Cass County Commissioners Court consisting of the County Judge and four Precinct Commissioners.

Competitive bidding – The formal process of soliciting sealed bids from vendors as governed by Local Government Code §262.023 and Uniform Guidance 2 CFR 200.319-200.320.

Contract – A formal, written agreement executed by the county and a vendor containing the terms and conditions under which the goods or services are to be furnished to the county.

Department – Any county, precinct, district offices, and subdivisions thereof.

Employee – Any county, precinct or district employee elected, appointed, or hired.

Goods – Includes any personal property to be purchased by the county, including equipment, supplies, material, and component or repair parts.

Lease – A contract for the use of personal property for a period of time in return for a specified compensation. All leases must be approved by the Commissioners Court and signed by the County Judge.

Lowest responsible bid – The offer from the responsible bidder who submits the lowest and best bid meeting all requirements of the specifications, terms, and conditions of the invitation for bid. It expressly is understood that the lowest responsible bid includes any related costs to the county in a total cost concept. The term “responsible” refers to the financial and practical ability of the bidder to perform the contract and take into consideration the past performance of the vendor.

Modification/Amendment – A document used to change the terms and/or conditions of a contract.

Pre-bid/proposal conference – A conference conducted by the County Auditor’s office and/or Grant Consultant for the benefit of those wishing to submit a bid or proposal for services or supplies required by the county. This is to allow bidders/proposers to ask questions about any proposed contract and the specifications contained therein.

Proprietary information – Information in bids or proposals to which a vendor claims ownership or exclusive rights and which are protected from disclosure in the Texas Open Records Act (Texas Local Government Code, Chapter 551).

Purchase order – A written order issued by the County Auditor, or designee, authorizing the purchasing office to enter into a contract with a vendor to purchase goods or services.

Purchasing – The act, function, and responsibility for the acquisition of goods and services including construction.

Purchasing Act – As defined in the Texas local Government Code, Chapter 262.

Purchasing Agent – Is the County Auditor and/or designee in Cass County.

Request for Offer (RFO) – An RFO provides a method of negotiating prices, terms, and conditions with catalogue vendors. It assumes that negotiation for “best value” will occur with catalogue vendors, instead of making selections for goods and services based on the published prices, terms and conditions in the catalogues.

Request for Proposal (RFP) – A procurement method that emphasizes value over price. The best value might not be the lowest cost. A document requesting an offer be made by a vendor which allows for negotiations after a proposal has been received but before award of the contract for goods and services procured in compliance with Texas Local Government Code section 262.0295 or 262.030. All proposals are confidential information and will be open to the public after the award has been made.

Sealed Bid – Competitive bid required to be advertised in a newspaper of general circulation and submitted to the purchasing office in a sealed envelope within the specified time period.

Services – Includes all work or labor performed for the county on an independent contractor basis, including maintenance, construction, manual, clerical, or professional services.

Sole source good or service – A good or service that can be obtained from only one source that is purchased in compliance with Texas Local Government Code section 262.024 (a)(7) and (c).

Solicitation – A document, such as a Request for Bid, Request for Proposal, Request for Offers, or Request for Statement of Qualifications, issued by the purchasing office. The document contains the terms and conditions for a contract and seeks (solicits) a bid or proposal for goods or services needed by the County.

Specifications – A concise description of a good or service that the County seeks to buy, including the requirements the vendor must meet in order to be considered for the award. A specification may include requirements for testing, inspection, or preparing any items for delivery, or preparing or installing it for use.

Vendor – One who sells a good or service.