



06/30/2025

# Purchasing and Procedures Manual



City of Rawlins  
Finance Department  
521 West Cedar  
Rawlins, WY 82301

## RESOLUTION NO 2C - 2025

**A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF RAWLINS, CARBON COUNTY, WYOMING, AMENDING THE CITY OF RAWLINS PURCHASING POLICY.**

**WHEREAS**, the City Council may from time to time amend by resolution a purchasing policy manual which sets forth the regulations with city employees follow in conducting purchasing practices on behalf of the city; and

**WHEREAS**, the Council now wishes to adopt the amended purchasing policy.

**NOW, THEREFORE, BE IT RESOLVED** by the governing body of the City of Rawlins; Carbon County, Wyoming as follows:

**Section 1: Adoption.**

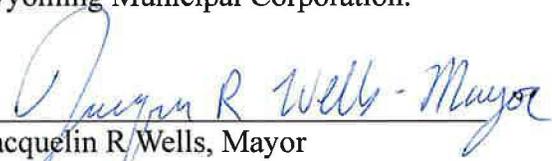
The document entitled "City of Rawlins Purchasing Policy", as presented to the City Council on the 18<sup>th</sup>, day of February 2025, is hereby adopted in its entirety.

**Section 2: Recession.**

All previous city purchasing policy manuals, policies, and amendments thereto, are hereby rescinded in their entirety.

**PASSED, APPROVED AND ADOPTED** this 18<sup>th</sup> day of February, 2025.

CITY OF RAWLINS, a  
Wyoming Municipal Corporation.

  
Jacquelin R. Wells, Mayor

ATTEST:

  
Lynn M Shearer, City Clerk

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## STATEMENT OF INTENT

The purpose of the administrative policy for purchasing, bidding and bid specifications is to maintain a responsible and uniform purchasing process for the City of Rawlins, and to ensure compliance with State laws concerning expenditures for public improvements, materials, and supplies. This policy describes the purchasing process for all city purchases based on cost and state statute. It identifies the conditions under which expenditures are required to be bid, as well as outlines administrative policies and procedures for purchase not required to be bid.

It is the express intent of the City of Rawlins to comply with all State of Wyoming Statutes and purchasing regulations. A list of expense incurred will be made the first and third Tuesday of each month to Council for their approval.

The material in this policy is subject to revision by the City Council to meet often rapidly changing developments encountered in the field of purchasing and in our economy. It is the hope of management that this policy will prove beneficial to the City of Rawlins, its employees and citizens.

This manual and purchasing policy:

- Defines the legal authority of the procurement function within the organization.
- Simplifies, clarifies, and reflects the laws governing procurement.
- Enables uniform procurement policies throughout the organization.
- Further ensures the fair and equitable treatment of everyone who deals with the procurement system.
- Provides for increased efficiency, economy, and flexibility in public procurement activities and maximizes to the fullest extent the purchasing power of the entity.
- Fosters effective broad-based competition from all segments of their supplier community.
- Safeguards the integrity of the procurement system and protects against corruption, waste, fraud, and abuse.
- Ensures appropriate public access to contracting information.
- Fosters equal employment opportunities that are in line with legal requirements, in the policies and practices of suppliers and subcontractors wishing to do business with the city.

## **MISSION AND GOALS OF PUBLIC PURCHASING**

The mission of the Purchasing Policy of the City of Rawlins is to:

- Foster an understanding and appreciation of sound purchasing practices throughout all departments of the city.
- Provide all vendors equal access to the city's competitive processes for the acquisition of goods and services.
- Ensure compliance with local, state, and federal laws applicable to city purchasing.
- Obtaining the best possible price for the goods or services, without sacrificing the quality needed.
- Ensuing a continuing supply of goods and services are available where and when needed.

## **CITY OF RAWLINS PROCUREMENT SERVICES CODE OF ETHICS**

The Ethics Policy is cumulative of any provisions governing ethics or conflicts of interest under state law. In the event of any conflict between any such provision, the most restrictive provision shall govern. This section will promote the objectives of protecting government integrity and facilitating the recruitment and retention of qualified ethical personnel needed by the City of Rawlins.

The city also requires ethical conduct from those who do business with the city. City representatives and vendors/entities are required to adhere to all federal, state, and municipal laws and ordinances.

### **Accountability**

It is essential for employees to take ownership of, and be responsible for, their actions to preserve the public trust and protect the public interest.

Principles: Employees should:

- Apply sound business judgement.
- Be knowledgeable of and abide by all applicable laws and regulations.
- Be responsible stewards of public funds.
- Maximize competition to the greatest extent practicable.
- Practice due diligence.
- Promote effective, economic and efficient acquisition.
- Support economic, social and sustainable communities.

- Use procurement strategies to optimize value to stakeholders.

## **Ethics**

It is essential for employees to act in a manner true to these values to preserve the public's trust.

Principles: Employees should:

- Act and conduct business with honesty and integrity, avoiding even the appearance of impropriety.
- Maintain consistency in all processes and actions.
- Meet the ethical standards of the profession.

## **Impartiality**

It is essential for employees to engage in unbiased decision-making and to act to ensure fairness for the public good.

Principles: Employees should:

- Be open, fair, impartial, and non-discriminatory in all processes.
- Treat suppliers equitably, without preference or discrimination, and without imposing unnecessary constraints on the competitive market.
- Use sound professional judgement within established legal frameworks to balance competing interests among stakeholders.

## **Professionalism**

It is essential for employees to uphold high standards of job performance and ethical behavior to balance diverse public interests.

Principles: Employees should:

- Follow the lead of, and learn from, those with education, experience, and professional certification in public procurement.
- Continually develop as a professional through education, mentorship, innovation, and partnerships.
- Develop, support, and promote the highest professional standards in order to serve the public good.

- Seek continuous improvement through on-going training, education, and skill enhancement.

## **Transparency**

It is essential for employees to have and follow easily accessible and understandable policies and processes that demonstrate responsible use of public funds.

Principles: Employees should:

- Exercise discretion in the release of confidential information.
- Maintain current and complete policies, procedures and records.
- Provide open access to competitive opportunities.
- Provide timely access to procurement policies, procedures, and records.

## **Conflict of Interest**

Employees shall avoid any activity that might create a conflict between their personal interest and the interest of the City of Rawlins. Conflicts exist in any relationship where the city's best interest may be different from the employee's best interest or the best interest of someone associated with the employee. Conflicts of interest include an employee participating in any way in any procurement in which:

- The employee or any member of the employee's family within the first degree of relationship by blood or marriage (a "close family member"), has a financial interest in the results of the city procurement process.
- A business or organization in which the employee, or a close family member, has an employment relationship or an ownership of interest and has a financial interest as the result of the city procurement process: or
- Any other person, business, or organization with whom the employee or a close family member is negotiating for or has an arrangement with concerning prospective employment.

## **Perception**

Employees shall avoid the appearance of unethical or possible comprising practices in relationships, actions or communications associated with the City procurement process.

## Gratuities

Employees shall not solicit or accept money, loans, gifts, favors or anything of value, from present or potential contractors that might influence or appear to influence a purchasing decision or the city’s procurement process. If anyone is in doubt about whether a specific transaction complies with this policy, the person should disclose the transaction to the Procurement Services Manager (currently Finance Director) for a determination of compliance.

## Requesting Department’s Responsibilities

1. Initiate purchase request, as outlined in this Purchasing Manual, allowing sufficient lead time for the Purchasing Agent to process the order and the vendor to deliver goods or services.
2. Inform and train department staff in the city’s purchasing policies as outlined in the Purchasing and P-Card manuals and help ensure that all policies are followed.
3. Communicate needs for supplies, equipment, services, and materials to the Purchasing Agent (currently Finance Director) with sufficient lead time so that procurements can be made using applicable purchasing manual procedures.
4. Utilize effective material requirements planning to maximize efficiency in the city procurement.
5. Prepare clear and unrestrictive technical specifications or functional requirements when there is a need for products or services.

Step	Performed By
Identify requirement and obtain budget	User Department
Define/finalize requirements	User Department
Submit electronic requisition outlining requirements to Procurement Services	User Department
Solicit, advertise, and generate Purchase Orders and Contracts from requisition and send to vendor	Finance Office Procurement Services Department
Submit electronic requisition identifying increase change to dollar value for Purchase Orders, (budget confirmation) reference original Purchase Order in reason field	User Department

Submit email requesting changes to Purchase Orders for correction of vendors and product/service descriptions.	User Department
Generate Purchase Order change order from requestion and/or email and send to vendor	Finance Department
Receive good/service and verify completeness against contract Electronically receive item in the City's automated requesting system ("ARS") upon receipt of good/service and submit original invoice to Finance Department	User Department
Match received amount with invoice and audit.	Finance Department
Process and approve payment of invoice.	Finance Department
Disburse payment of invoice	Finance Department

### **User Do's and Don'ts**

- Do not, as an employee, authorize the purchase of any goods or services.
- Do not purchase any goods or services for your own personal benefits.
- Do not authorize product demonstrations, trials, or wear test without knowledge and coordination by the Procurement Services Department (Finance Office)
- Do not obligate the city for the purchase of goods that are delivered for use on a trial basis.
- Do not commit to acquire goods or services without an authorized purchase order. Anyone obliging an expenditure of funds for goods or services before securing a purchase order may be held personally responsible of the payment and may face criminal charges.
- Do not use purchasing strategies to avoid the requirements of this Policy, Personnel Policy, or which may violate the law.
- Adhere to the City's Procurement Services Code of Ethics and avoid activities and behaviors that are unethical or create a conflict of interest or the perception of a conflict of interest.
- Ensure funding is available before submitting a requisition.
- Plan purchases to minimize the use of emergency and expedited purchases.

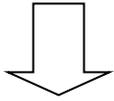
- Plan purchases to allow sufficient time to process purchase requisitions.
- Ensure that procurement policies and procedures are understood before ordering.
- Coordinate with Procurement Services on receipt of goods and services.

### **Disciplinary Action for Violations**

When a Purchasing Policy or Manual violation is discovered, the Purchasing Agent (currently Finance Director) will investigate the surrounding circumstances and provide findings to the Finance Director, Department Head, and/or designee. Continuous violations of the established Purchasing Policies and Procedures may result in disciplinary consequences ranging from the revocation of purchasing authority or financial software use to a recommendation for more severe action to be determined by the City Manager. Continuous violations of the Purchasing Policy or Manual may lead to disciplinary action up to and including termination as well as criminal prosecution depending on the nature of the violation. The Finance Director, in coordination with Human Resources or Human Resources designee, will notify the Department Head and City Manager of any violations of the Purchasing Policy or Manual wherein disciplinary action may be warranted.

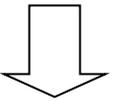
## **Purchasing Cycle**

Requisition



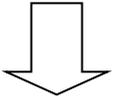
Document generated by a user department to notify the purchasing department of items it needs to order, their quantity, and the time frame.

Purchase Order



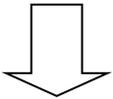
Legal documents that obligate the city to pay for items that are ordered once an item is delivered and accepted by the city. Without a properly approved and issued Purchase Order, the city is under no obligation to pay for goods or services received, even if the goods or services were procured by staff.

Receiving



Documents that are similar to packing slips: they show what items were delivered, the purchase order number (if applicable), the ship method, who received the shipment, and where.

Invoice



Document that is issued by a seller to a buyer, relating to a sale transaction and indicating the products, quantities, and agreed prices for products or services the seller had provided the buyer. Payment terms are usually stated on the invoice.

Council Approval Approval of warrants documented in board minutes.

### Three Way Match



Three-way matching is a payment verification technique for ensuring that a supplier invoice is valid, and so can be paid. When the payables department receives an invoice from a supplier, it matches the following information:

- The information on the supplier invoice to a copy of the related purchase order that has been forwarded to it by the purchasing department. The purchase order states the quantity and price at which the company agrees to buy the goods or services stated on the supplier's invoice.
- The supplier invoice to receiving documentation forwarded to the accounting department by the receiving department, to ensure that the goods have been received, that they are in the correct quantity, and that they are in good condition.

Thus, the "three-way match" concept refers to matching three documents - the invoice, the purchase order, and the receiving report - to ensure that a payment should be made. The procedure is used to ensure that only authorized purchases are reimbursed, thereby preventing losses due to fraud and carelessness.

If this three-way match reveals that the supplier invoice is in good order, then the accounts payable staff processes the invoice for payment. If not, the staff contacts the supplier regarding any issues it found, which may result in the issuance of a revised invoice or perhaps a credit memo by the supplier.

## **PURCHASING POLICY**

### **AUTHORITY**

To comply with Wyoming State Statutes, Section 15-4-203 (v), the City Manager is designated as Purchasing Agent for the City of Rawlins and is responsible for all purchases and contracts. All provisions of this policy must be followed unless otherwise approved by the City Manager.

## **TAX EXEMPT**

The City of Rawlins, a municipality, is exempt from all city, state and federal sales tax and some excise tax.

## **COST REDUCTION**

It is the responsibility of the employee to promote cost reduction and improve supplier service by prudent investigation of vendor selection. Locating the most efficient and cost-effective purchase will be reflected in our overall performance, budget management and efficiency to the public.

In determining the best value for the city, the city may consider:

- The purchase price.
- The experience and reputation of the bidder and the bidders' goods or services.
- The quality of the bidder's goods or services
- The extent to which the goods or services meet the city's needs.
- The bidder's past relationship with the city.
- The total long-term cost to the city to acquire the bidder's goods and services
- Any relevant criteria specifically listed in the request for bids or proposals.

## **Grant Funded Purchases**

Grants should be administered via a written contractual agreement between the city and the party providing the services. All purchases made with grant monies will comply with the terms and conditions of the grant, as well as the city's procedures regarding all purchases. Grants often have short time frames to meet and although every effort will be made to expedite purchasing processes when possible to meet these deadlines, the department is responsible for providing the Procurement Service Manager (Finance Department) a copy of all procurement requirements in the grant document in a timely manner.

## **PURCHASING PROCESSES**

Expenditures in the amount of \$.01 through \$74,999.99 need to reflect one of our five primary purchasing processes in detail:

Process 1: Petty Cash

Process 2: Requirement of a Blanket Purchase Order.

Process 3: Requirements of a Purchase Order.

Process 4: Use of the Credit Card.

Process 5: Payroll and Contracts.

### **Process 1: Petty Cash**

Petty cash may be used for small dollar purchases but limited to those situations where credit card use is not permitted, or credit card usage incurs a fee, or payment is required prior to service being rendered or invoice will not be issued. Petty Cash Receipt forms are available on the City's Web site under the Finance Department. Petty cash should be used very infrequently since most vendors will invoice the city.

1. Petty Cash Funds may be established in an amount not to exceed \$200.00.
2. Petty Cash Funds are authorized for City Clerk, Police and Parks and Recreation departments and shall be maintained by the respective Directors of those departments.
3. All petty cash accounts shall be:
  - a. Properly secured and stored,
  - b. Accessed for authorized expenditures only.
  - c. Properly documented with itemized receipts for all expenditures
  - d. Routinely funded so that a proper cash balance is maintenance.
  - e. Periodically audited.
4. Uses of petty cash:
  - a. An individual expenditure is limited to \$50 without prior approval of the Department Director responsible for the respective fund.
  - b. The fund shall not be used to cash personal checks, nor shall it be used for a personal loan.
  - c. All expenditures must be properly documented with either a third-party invoice and/or petty cash receipt. All documentation shall be sufficient in detail to describe, date, amount, description of transactions and account codes to which the transaction shall be charged.

## **Process 2: Requirement of a Blanket Purchase:**

The City of Rawlins will issue blanket purchase orders to any vendor within the city it deems necessary to efficiently speed up the purchasing process.

A Blanket Purchase Order Requisition equal to or exceeding \$10,000 requires City Council approval.

Users shall not receive goods or services from a submitted Blanket Purchase Order Requisition until approved by Purchasing and a blank Purchase Order number is assigned.

A Standard Purchase Order (PO) or Blanket Purchase Order (BO) is an agreement between the city and the vendor in which the city agrees to purchase the goods or services described on the purchase order and the vendor agrees to supply if accepted by the vendor. Purchase Orders can be thought of as a contract between the city and vendor and as such, has legal implications when properly authorized and approved. Purchase orders are issued by the Purchasing Agent (currently the Finance Director) after receipt and acceptance of a purchase requisition. Purchase orders encumber department funds. A PO is the result of an authorized and approved Purchase Requisition.

Blanket orders, while similar to purchase orders, are issued to cover future purchases of known items but in unknown or projected quantities. Blanket orders have fixed or negotiated unit processes. Blanket orders do not guarantee the purchase of any specific quantities.

A blanket purchase order is issued to a vendor, against which multiple purchases may be made for a specific period of time, often establishing fixed price, term, and other conditions. Similar to a standard Purchase Order, city department funds are encumbered upon the establishment and issues of the Blanket Purchase Order. A Blanket Purchase Order is also useful for repeated purchases of the same type of commodity item or service by a department. This eliminates the need for department submittal of multiple Standard Purchase Orders- issuing a single Purchase Requisition for a Blanket Purchase Order.

The Blanket Purchase Order is prepared from a purchase requisition and shall be written so that it is concise and clear. This will prevent unnecessary misunderstandings and correspondence with vendors. At a minimum, the Purchase Requisition should contain:

- Items or types of items authorized for purchase.
- Item prices (when available) or total purchase order amount.
- Specified term.
- Name of the user.

**Process 3: Requirement of a Purchase Order:**

A Purchase Requisition (PR) is a form requesting permission to purchase goods or services where the total purchase price exceeds the purchasing threshold.

1. All purchases of any items not covered by a Blanket Purchase order shall require a requisition from the requesting department.
2. These requisitions must have an appropriate Council Approved Expense line item assigned to it.
3. All requisitions must have two quotes as determined by the City Manager or his designee, to ensure that the best purchasing practices are being implemented.
4. It is the responsibility of the requesting department to ensure a W9 is on file with the finance department prior to any purchase.
5. These requisitions must have a description of what is being purchased that can be matched up to the definition of the Expense line item assigned.
6. The requisition must have all dollars assigned and added up for verification by finance.
7. The requisition must have the Department Head or Designee signature along with the signature of the Finance Director or Designee for all requisitions without regard to the dollar amount listed.
8. Below is table showing the approval requirements.

Amount	Approval Requirements			
0-\$1,499	Department Head			
\$1,500 - \$9,999	Department Head	Finance Director		
\$10,000-\$74,999	Department Head	Finance Director	City Manager	
\$75,000+	Department Head	Finance Director	City Manager	City Council

9. The requisition will be delivered to the Purchasing Agent, currently the Accounts Payable Accounting Clerk for processing and printing of the Purchase Order. The original purchase order and requisition stays at the finance department with a copy being returned to the requesting department.
10. The requesting department has authorization to send the PO or make the phone call to the vendor providing the PO number to same.
11. When the invoice is received by the Procurement Service Manager, currently the Finance Department, the original will be kept with the original requisition and purchase order and a copy of the invoice will be provided to the requesting department for verification of items purchased.
12. The invoice copy provided to the requesting department will be returned to finance once verification of the purchased items is documented.
13. The finance department will make effort to pay the invoice within 30 days of the invoice date.
14. A list of incurred expenses will be placed on the list to Council for approval.

### **Purchases over \$75,000**

Wyoming State Law sets the requirements for formal solicitations. By law, purchases that require an expenditure of more than \$75,000 requires that a competitive sealed bid or a competitive sealed proposal process, including public notes, public opening of the bids and City Council award, be utilized. A department must contract Procurement Services (currently the Finance Department) to determine if an exemption applies. The \$75,000 threshold for competitive bids or proposals is a hard cap that cannot be exceeded without having engaged in and awarded the contract through a competitive process meeting the requirement of Wyoming law.

### **Process 4: Requirement of a Credit Card Purchase (those purchases not related to training and travel)**

Note: Personnel Policy Section VII Credit Cards. Credit Cards are to be used primarily for travel and conferences/training as stated in section 10 of personnel manual. A small percentage of items may be purchased with credit card to acquire city related materials, service and expense when this is the only way to purchase such as via internet or specialized stores located outside the City of Rawlins.

1. All credit cards are to be checked out from the finance department and returned after the purchase is made.
2. All purchases of any items using a credit card shall require a requesting from the requestion department.
3. These requisitions must have an appropriate Council Approved Line item assigned to it.
4. It is the responsibility of the requesting department to ensure a W9 is on file with the finance department prior to any purchase.
5. All requisitions must have two quotes as determined by the City Manager or his designee, to ensure that the best purchasing practices are being implemented.
6. These requisitions must have a description of what is being purchased that can be matched up to the definition of the line item assigned.
7. The requisition must have all dollars assigned and added up for verification by finance.
8. The requisition must have the Department Head or designee signature along with the signature of the Finance Director or designee for all requisitions without regard to the dollar amount listed.
9. All requisition for credit card purchases other than travel shall be approved by the City Manager or designee prior to the purchase.
10. The original requisition will stay with the Finance Department and a copy returned to the requesting department with a credit card.
11. Upon completion of 1 through 9 above the requestion department has authorization to make the phone call to the vendor providing or purchase online through the Internet.
12. The credit card shall be returned to the finance department upon completion of the purchase.
13. The invoice/ticket from the credit card purchase shall be attached to the requisition and a copy provided to the requestion department and returned to finance.
14. The credit card monthly statement and the returned invoice/ticket will be matched up by finance and the statement made available to the accounts payable account clerk.

#### **Process 5: Payroll and Contracts**

- A. Payroll checks to employees and the payroll accounts payable checks are handled internally by the Finance Department. These A/P check amounts are all generated by the Finance Payroll system and the s the Federal Government, the State of

Wyoming, and employee insurance vendors based upon computer generated figures. The incurred expenses shall be placed on the list for Council approval.

- B. Monthly Recurring Contracts such as utilities bills for electricity, natural gas, phone, internet, trash and other monthly bills such as the monthly site rental for the water plant and newspaper are paid through the finance department and the incurred list of expenses shall be placed on the list for Council approval.
- C. Contract payments for City Council approved and budgeted capital projects such as water and sewer lines, rebuilding reservoirs, rebuilding streets, etc., these expenses incurred are already approved by Council and shall be placed on the expense list for final Council Approval.

### **SPECIALIZED CONTRACTS**

Large scale public improvement projects and major purchases may require the use of a specialized contract. Use of a contract other than city forms must be approved by the City Attorney.

### **Fixed Asset and Property Management**

A fixed asset is defined as:

- An item an organization uses over the long term to help provide revenue or services.
- Commonly called property, plant, and equipment.
- Subject to depreciation to account for the loss in value over time.
- Property with a useful life greater than one reporting period.
- Not purchased with the intent of immediate resale, but rather for productive use within the entity.
- Not expected to be fully consumed within one year of its purchase.

Shall be managed and controlled to ensure effective and efficient usage of the assets.

Property stewardship of public assets is key to the establishment of public trust and economic growth of the community.

All capital or depreciable infrastructure items over \$50,000 and \$10,000 for vehicle, equipment and other capital purchases shall be added to our Asset Management System. All identifying information must be given to the Finance department to update the Asset Management Program. Additionally, all inventory of supplies under this threshold, i.e.

Water and Sewer supplies held for repairs, shall be handled as expense items and not inventoried for accounting purposes.

### **SOLE SOURCE PURCHASES**

The purchase of new goods or services available from only one source may be exempt from the quote and bid process. Documentation will be required by the City Manager to support SOLE SOURCE designation.

### **VENDOR SELECTION**

Vendors will be selected on a competitive basis. The following will be considered in the selection:

- a. Ability, quality, capacity, time and skill of the vendor to perform the needed service or supply the required materials.
- b. Ability of the vendor to provide future maintenance and service.
- c. Price
- d. Local Business

### **EMERGENCY PURCHASES**

An emergency purchase is defined as a situation brought about by a sudden unexpected turn of events or any circumstance or cause beyond the control of the City in the normal conduct of its business. An emergency purchase is made to alleviate a situation where there is a threat to health, welfare, safety or significant disruption of the operations of a department that can only be rectified by immediate purchase of equipment, supplies, materials, or services. An “emergency purchase” must fit the circumstances noted above and requires such competition as is practicable under the circumstance. Poor planning and inadequate management are not “emergencies” and cannot be treated as such. Purchases of this nature may be expedited, but still do not justify “Emergency” status. The City Manager shall be notified and approve all emergency purchases.

## **CONTRACT DOCUMENTS AND MAINTENENACE AGREEMENTS**

All original contract/leases and/or maintenance agreements will be kept on file in the office of the City Clerk and have prior consent of the Department head, Finance Director, City Manager, and Council.

## **GIFTS AND GRATUITIES**

The limitations to the City Employees in regard to the acceptance of gifts and gratuities are defined in Wyoming State Statutes 15-1-113, 15-1-128 and Section 3.12 of the City of Rawlins Personnel Policy Manual. The city will not tolerate circumstances that produce or reasonably appear to produce, conflicts between the personal interests of the employee and the interests of the City. Accordingly, the City may terminate, at no charge to the City, and Purchase Order or contract if it is found that gifts or gratuities were offered to a city employee.

## **PURCHASES OVER \$75,000.00**

- A. When the estimated cost of a contract for any type of public improvement, the purchase of new equipment or property, except vehicles, exceeds \$75,000 according to Wyoming State Statutes 15-1-113, or other applicable statutes, the competitive bid process will ensure and be conducted in the following manner.
  1. An invitation for Bids will be published on two (2) different occasions, at least seven (7) days apart, in at least one newspaper of general circulation within the city, depending on the nature of the procurement, the notice may be published in other trade journals and periodicals of major circulation. Bids may also be solicited from responsible perspective suppliers by sending them a copy of such notice. Published notice will include, but is not limited to the following:
    - a. General description of the item or services.
    - b. Bid bond and performance bond requirements.
    - c. Must provide a copy of State of Wyoming Sales Tax permit.
    - d. Locations where bid forms and specifications may be obtained.
    - e. Time and location for turning in bids.
    - f. Time and location of pre-bid conference.
    - g. Stating the place, date, and time when the bids or proposals will be received and when bids will be publicly opened and the place where interested persons may obtain complete specifications of work to be performed.
    - h. The City of Rawlins right to reject all bids if necessary.

- i. The City of Rawlins right to waive any minor defect or irregularity of the bid.
- B. All “Vehicles” must be competitively bid, those vehicles listed on the state bid or at state surplus that meet the bid requirement for the vehicle shall also be included as a response to the competitive bid process. Any trade-in vehicles will be included in the bid announcement. Vehicles under \$75,000 do not require a bid bond.
- C. Invitations will be turned into the City Clerk’s office for publication and filing.
- 1) Sealed bids will be opened in the public at the time and place stated in the invitation. All persons who desire shall have an opportunity to inspect all bids when they are opened.
  - 2) Tabulations will be prepared by the Department Head for review of the City Manager and Finance Director.
  - 3) The City Council may award the contract, after considering staff recommendation, at the next regularly schedule council meeting.
  - 4) Bid deposits or surety, when required, shall be prescribed in the public notices inviting bids. Unsuccessful bidders shall be entitled to return of deposit or surety. A successful bidder, upon failure on his part to enter into a contract within the time specific after written notification of the bid award, shall forfeit any surety deposited within the city.

**Authorization to Travel**

Travel expenses may be incurred as a normal part of conducting City business. It is the policy of the City that eligible expenses incurred while on City business be reimbursed to the individual when properly documented. Personal and ineligible expenses incurred while on City business remain the responsibility of the individual. Permissible functions are conventions, luncheons, meetings, seminars, and training sessions that are related to the operations of the City of Rawlins.

**PROFESSIONAL SERVICES**

Wyoming Statute 15-1-113 (a) excludes professional services from the bidding processes that requires items to be put out for bid over \$75,000. The City of Rawlins will accept the state statute as policy with the further restriction that any and all contracts for professional services must first be approved by the City Manager and put out for bid at his/her discretion.

## **PROJECT PAYMENT PROCEDURE**

To comply with Wyoming Statutes Section 16-6-116 and 16-6-701 , “When any public work is let by contract the commission, board or person under whose direction or supervision the work is being carried on and conducted and upon whose approval intermediate and final estimate are paid for the construction of the work, forty (40) days before the final estimate is paid, shall cause to be published in a newspaper of general circulation, published nearest the point at which the work is being carried on, once a week for three (3) consecutive weeks, and also to post in three (3) conspicuous places on the work, a notice setting forth in substance, that the commission, board or person has accepted the work as completed according to the plans and specification and rules set forth in the contract between the commission, board or person and the contractor, and that the contractor is entitle to final settlement therefore. The notice shall also set forth that upon the 41<sup>st</sup> day (and the notice shall specify the exact date) after the first publication of the notice the commission, board or person under whose director or supervision the work has been carried on will pay to the contractor the full amount due under the contract. This section does not relieve the contractor and the sureties on his bond from any claims for work or labor done or materials or supplies furnished in the execution of the contract.”

## **SALE AND DISPOSAL OF CITY SURPLUS PROPERTY**

The City Manager is responsible for disposition of all surplus City Property. All departments shall review their assets each year and determine which items are no longer needed. A list of surplus, obsolete or unused supplies, materials or equipment, including description, make, model, and serial numbers should be forward to the City Manager. No other arrangement for pickup, sale or disposal of items shall be arranged without the prior notification and consent of the City Manager.

The City Manager may transfer surplus items from one department to another should the need arise.

The City Manager may sell, via online auction or sealed bids, surplus, obsolete or unused supplies, material or equipment having a value of less than \$500.

The City Manager will evaluate options for surplus items that may be used for Trade-in credits towards replacement or supplemental purchases.

The City may donate surplus, obsolete or unused supplies, materials or equipment to other governmental agencies, providing preference to agencies residing in or adjacent to the City of Rawlins with the City Manager's approval.

Department Heads shall advise the City Manager or his/her designee in writing of any equipment or supplies ready for surplus. Should a value of \$500 or more be placed on the supplies or equipment the following will then take place:

1. The City Council must declare the item SURPLUS.
2. A public auction will be held with the advertisement of the intended sale being published for three (3) consecutive weeks. A request for sealed bids will follow the same procedure.
3. The item will be awarded to the highest responsible bidder, except where otherwise stated in Wyoming Statute 15-1-112.
4. Notify the Finance department that any inventoried item must be removed from the inventory list.

The Finance Department must be notified when any asset within the Asset Management System is disposed of regardless of value.

## **CONTRACTS AND MONTHLY UTILITY PAYMENTS**

A standing purchase order is a binding contract with a specified vendor, like a utility provider, to continuously purchase goods and services over a specified time frame, usually at predetermined prices.

Any contracts or monthly utility expenses will require a new requisition or review from department or City Manager. The invoices will be coded by the AP clerk and go directly to the finance director where he/she will review and sign them.



**Definitions.**

Not all definitions are utilized in this Purchase Manual but are pertinent to the purchasing process.

**Advertisement** - A public notice in a newspaper of general circulation containing information about a solicitation in compliance with legal requirements.

**“After-the-Fact” Purchases** - Purchases, which are typically unauthorized, that deviate from City of Rawlins policies regarding purchases.

**Alternate Delivery Method** – A method of procuring construction services other than “traditional” competitive bidding. Methods may include best-value competitive bidding, competitive sealed proposals, design-build, construction manager (either at risk or as agent), and job order.

**Amendment/Addendum** - A document used to change the provisions of a Contract, or a Solicitation after the Contract or Solicitation has been fully executed. An Amendment typically changes a provision in a Contract and requires the consent of the parties to that Contract. An Addendum typically adds an omitted requirement or condition to a Solicitation before its due date and does not require mutual agreement. An Addendum may also add provisions to, delete provisions from, or otherwise modify a Contract prior to the execution of and as a part of the consideration for the execution of the underlying Contract. Typically, both the Addendum and the Contract must be fully executed by all parties.

**Annual Term Contract** - A recurring contract for goods or services, usually in effect on a monthly basis.

**Best Value** - A method of evaluating competitive bids that includes an evaluation based on more factors than just price and whether the presumptive low bidder is responsible. The “best value” process allows the city to consider the following criteria:

1. The price.
2. The bidder’s experience and reputation.
3. The quality of the bidder’s goods or services.
4. The impact on the ability of the city to comply with rules relating to historically underutilized businesses.
5. The bidder’s safety record.
6. the bidder’s proposed personnel.

7. Whether the bidder's financial capability is appropriate to the size and scope of the project.
8. Any other relevant factor specifically listed in the request for bids, proposals, or qualifications.

Best value allows for the selection of the best and lowest overall life cycle cost proposal taking into consideration various factors depending on what is being procured and the factors set forth in the procurement document.

**Bid Bonds** – A deposit required of bidders to protect the city if a low bidder withdraws its bid following submission or fails to enter into a contract following award. Acceptable forms of bid deposits are limited to: cashier's check, certified check, or irrevocable letter of credit issued by or drawn upon a financial institution chartered by and subject to the laws of the State of Wyoming and formal Bid Bonds underwritten by a surety company authorized to do business in the State of Wyoming and identified as a company authorized to underwrite federal obligations as reflected on the most recent edition of the United States Department of the Treasury's Circular 570.

**Bidder** – A vendor that submits a bid including anyone acting on behalf of the vendor that submits a bid, such as agents, employees and representatives.

**Bidders' List** - An automated list of vendors who have stated in writing an interest in submitting bids for particular categories of goods and services.

**Change Order, Contracts** - A document used to change a contract after the performance of the contract is begun if changes in the plans or specifications are necessary or if it is necessary to decrease or increase the quantity of work to be performed or of materials, equipment, or supplies to be furnished, or adjusting the time for performance. A change order cannot be used to change or expand beyond the general scope or focus of the project for which the contract was awarded. Please be aware that there are certain legal requirements regarding the approval of change orders and the amount by which a change order may increase or decrease a contract amount. A change order amends the original Contract.

**Change Order, Purchase Order** – A document used to modify a Purchase Order for the purchase of goods and services written on the city's standard purchase order form and which change, when accepted by the contractor without qualification within the specified

time limit, becomes an amendment to the existing Purchase Order and operates as the vendor's authority to deliver and invoice for goods or services as modified.

**City Council** - City of Rawlins City Council, also known as the Governing Body of the City of Rawlins

**Commodity Code** - The accounting system classification of goods and services with a unique number assigned to each description.

**Competitive Bidding** – A transparent procurement process in which bids from competing contractors, suppliers or vendors are invited by openly advertising the scope, specifications, and terms and conditions of the proposed contract. The aim of competitive bidding is to obtain goods and services at the lowest price for such goods or services through competition and preventing favoritism. The city determines the lowest bidder that is responsible and awards the contract to the low responsible bidder.

**Competitive Proposal Process** – A transparent procurement process in which proposals from competing contractors, suppliers or vendors are invited by openly advertising the scope and specifications for a particular work, goods or services that also specifies the relative importance of price and other evaluation factors. The city ranks the proposers and then engages in negotiations with the top ranked proposer until an agreement is reached. If an agreement cannot be reached the city moves to the next highest ranked proposer and negotiates with the next highest ranked proposer until an agreement is reached, and so forth. Once the city concludes negotiating with a proposer and moves on to the next highest ranked proposer the city cannot return to negotiations with a previously higher ranked proposer. The aim of competitive proposals is to select the responsible proposer whose proposal is determined to be the most advantageous to the city considering the relative importance of price and the other evaluation factors included in the request for proposals. The competitive proposal process allows the city more flexibility in product solicitation and negotiation to obtain the best final offer in compliance with the code than is allowed in competitive bidding.

**Component Purchases** - A series of purchases of component parts of goods that in normal purchasing practices would be purchased in one purchase.

**Consultant** – A person who provides or proposes to provide advice and counsel in a specialized area.

**Contract** - A formal, written agreement executed by the city and a third-party containing the terms and conditions under which particular work, goods or services are furnished to the city typically in exchange for the payment of money by the city or the granting of some other form of benefit or consideration from the city to the third-party.

**Contractor** - A third-party that has been awarded a contract by the City of Rawlins.

**City Attorney** – The attorney selected and hired by the City Council to handle legal matters for the city and his designated representatives.

**Cycle Time** - The time between when a purchase requisition is received in the Procurement Services Department and placement of a purchase order with a vendor. Cycle time does not include the time required for delivery or the time it takes for the Procurement Services Department to obtain corrections to line-item accounts, commodity codes, and other necessary information.

**Design-Build Contract** – A single contract through which the city contracts with a single entity to provide both design and construction services for the construction, rehabilitation, alteration, or repair of a facility.

**Design Criteria Package** – A set of documents that provide the specifications for the work that must be performed including the explicit goals and end results desired in sufficient detail to permit a contractor, supplier or vendor to prepare a response to city’s request for competitive bids, proposals or qualifications and any additional information requested, including criteria for selection.

**Department** – That division or group of special expertise or responsibility within the city that deals with a specific subject or area of activity including all city offices and subdivisions of them as well as component agencies when the purchases are funded even partially with city funds.

**Director** - Any Director of a Department and any person authorized to act on his or her behalf.

**Emergency Purchase** - An item that must be purchased immediately because of a public calamity to relieve the necessity of the citizens or to preserve the property of the city. An emergency purchase might also include a purchase that is required: (a) to preserve or

protect the public health or safety of the city's residents; or (b) as a result of unforeseen damage to public machinery, equipment or other property.

**Employee** - Any city appointed official, or employee.

**Formal Competitive Bidding** - The bidding which requires approval or rejection by the City Council.

**Goods** - Any personal property purchased by the city, including equipment, supplies, material, and component or repair parts.

**Invitation to Bid (ITB)** - Specifications and formal bidding documents requesting pricing for a specified work, good or service which has been advertised for bid in a newspaper.

**Invitation to Quote (ITQ)** - Specifications and informal bidding documents requesting pricing for a specified work, good or service within a designated time frame.

**Lease** - A contract for the use of personal property or real property for a period of time in return for specified compensation.

**Liaisons** – The contact person within each department designated to communicate directly with the Procurement Services Department.

**Lowest Responsible Bid** - The offer that provides the lowest price meeting all requirements of the specifications, terms, and conditions of the Invitation to Bid including any related costs to the city in a total cost concept and which submittal, including all reported references contained therein, provides the city with sufficient evidence of the bidder's financial and practical ability to perform the contract, references of past performance indicating the ability to comply with the Contract and satisfactorily complete the subject work, and other information provided to or obtained by the city demonstrating the subject bidder's capabilities, competence and success.

**Modification** - A document used to change the provisions of a contract. A modification may sometimes be unilateral under the provisions of the Contract. A modification may introduce or cancel certain specifications or terms in a Contract without effecting the terms of the Contract. A mutually agreed change is usually called an amendment or change order. Negotiations – A bargaining process between the city and one or more third

parties seeking to reach an agreement regarding the terms of a transaction or to resolve a dispute.

**Occupant Department** - The department that ultimately uses the finished goods or services when the purchase or construction is completed, which may be different from the user department.

**Official** - Any elected or appointed official and any person authorized to act on his or her behalf.

**Payment Bond** - A surety bond executed in connection with a contract that secures solely for the protection and benefit of those persons or entities that have a direct contractual relationship with the Contractor to supply public work labor or material (“Payment Bond Beneficiaries”) and with which such Contractor the city has contracted for a particular contract the payment obligation of that Contractor to the Payment Bond Beneficiaries.

**Performance Bond** – A surety bond that provides assurance to the city that the Contractor will faithfully perform the work in accordance with the plans, specifications, and contract documents.

**Personal Service** – Services performed personally by the specific person who contracted to perform the services. Policy – This Procurement Policies and Procedures Manual. Pre-Bid/Proposal Conference - A conference conducted by the Procurement Services Department for the benefit of those wishing to submit a response for services or supplies required by the city that is held in order to allow vendors to ask questions about the proposed contract and particularly about the contract specifications.

**Professional Services** - Services directly related to professional practices as defined by the Professional Services Procurement Act, including those services within the scope of the practice of accounting; architecture; optometry; medicine; land surveying; and professional engineering.

**Professional Services, Other** – Those services usually referred to as a professional service, but not specifically listed in the Professional Services Procurement Act and that are within the scope of practice of actuaries, attorneys, business consultants, computer programmers, copywriters, developers, efficiency experts, executive search firms, facilitators, funeral directors, public relations, recruiters, real estate brokers, translators; or

any other professional service as determined by approval of the City Council from time to time and made a part of this policy.

**Public Works** - Constructing, altering, repairing or maintaining a public building, public infrastructure or other public asset or facility.

**Purchase Order** - An order issued by the Procurement Services Department for the purchase of goods and services written on the city's standard purchase order form and which, when accepted by the contractor without qualification within the specified time period, becomes a contract or an amendment to an existing contract that authorizes the vendor to deliver to and invoice the city for goods or services specified and commits the city to accept the specified goods or services for an agreed upon price.

**Purchase Requisition** - An automated request from a user department submitted to the Procurement Services Department that authorizes the Procurement Services Department to enter into a contract with a vendor to purchase goods or services for the city and authorizes the Finance Department to charge the appropriate department budget and which request is for internal use only and cannot be used by a department to order materials directly from a vendor.

**Purchasing or Procurement** - The acquisition of goods and services including, but not limited to, construction and professional services. Procurement Services Department – The Office of the City of Rawlins Procurement Services Manager and his/her staff.

**Procurement Services Manager** – Means and includes the Procurement Services Manager or her designee and may also mean or include the Finance Director in the absence of the Procurement Services Manager.

**Request for Information (RFI)** - A general request to contractors for information regarding a potential future solicitation that is used as a research and information gathering tool for preparation of specifications and requirements.

**Request for Proposal (RFP)** - A document requesting a proposal from vendors that specifies the relative importance of price and other evaluation factors, and which allows for negotiations after a proposal has been received and before award of the contract for the goods and services sought. See also “Competitive Proposal Process,” above.

**Request for Qualifications (RFQ)** - A document that requests details about the qualifications of professionals whose services must be obtained in compliance with the Professional Services Procurement Act or in conjunction with an alternative bid delivery process.

**Responsive** – A vendor who has complied with all material aspects of the solicitation document, including submission of all required documents.

**Responsible** – A vendor who has the capability to perform fully and deliver in accordance with the contract requirements based on consideration of past performance, financial capabilities, and business management together with any other pertinent information.

**Sealed Bids** - Offers in response to an Invitation to Bids that is advertised in a newspaper and submitted to the Procurement Services Department (currently the Finance Department) in a manner that conceals the price.

**Separate Purchases** - Purchases made separately in different orders for goods and services that in normal procurement practices would be purchased in a single order or in one purchase.

**Sequential Purchases** - Purchases of items made over a period of time that in normal procurement practices would be purchased at one time or in one purchase.

**Services** - The furnishing of labor by a contractor that includes all work or labor performed for the city on an independent contractor basis, including maintenance, construction, manual, clerical, personal or professional services.

**Sole Source Good or Service** - A good or service that can be obtained from only one source due to patents, copyrights, secret processes, or natural monopolies. The purchase of captive replacement parts or components for equipment that is already owned by the city may also be considered for acquisition as a sole source good or service.

**Solicitation** - A document, such as an invitation to bid, invitation to quote, request for proposal, request for information or request for qualifications issued by the Procurement Services Department that contains terms and conditions for a contract to solicit a response from vendors to provide work, goods or services needed by the city.

**Solicitation Conference** – A meeting chaired by Procurement Services staff, designed to help potential vendors understand the requirements of a solicitation. Also known as a pre-bid or preproposal conference.

**Specifications** - A total description of a good or service to be purchased by the city, and the requirements the vendor must meet to be considered for the contract which may include requirements for testing, inspection, or preparing any good or service for delivery, or preparing or installing it for use. See also “Design Criteria Package,” above.

**User Department** - The department, defined above, from whose budget line item the contract is paid.

**Vendor** - A business entity or individual that seeks to have or has a contract to provide goods or services to the city.