

STATE OF OKLAHOMA

2nd Session of the 44th Legislature (1994)

COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 2053

By: Hutchison

COMMITTEE SUBSTITUTE

An Act relating to counties and county officers; amending 19 O.S. 1991, Section 339, as amended by Section 14, Chapter 239, O.S.L. 1993 (19 O.S. Supp. 1993, Section 339), which relates to the general powers of the board of county commissioners; modifying the powers of the board of county commissioners to make certain purchases; amending 19 O.S. 1991, Sections 1501, as last amended by Section 1, Chapter 135, O.S.L. 1993, 1502 and 1505, as last amended by Section 2, Chapter 105, O.S.L. 1993 (19 O.S. Supp. 1993, Sections 1501 and 1505), which relate to the county purchasing procedure; modifying purchase limit without bidding procedure; providing exceptions to when county purchasing agent must follow bidding procedures; providing for certain county departments to make estimates; removing requirement that certain items be subject to a uniform identification system; increasing limit of certain supplies and materials subject to a certain inventory system; increasing limit of certain consumable items subject to certain reports; increasing the amount which may be expended for emergency purposes; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 19 O.S. 1991, Section 339, as amended by Section 14, Chapter 239, O.S.L. 1993 (19 O.S. Supp. 1993, Section 339), is amended to read as follows:

Section 339. A. The county commissioners shall have power:

1. To make all orders respecting the real property of the county, to sell the public grounds of the county and to purchase other grounds in lieu thereof; and for the purpose of carrying out the provisions of this section it shall be sufficient to convey all the interests of the county in such grounds when an order made for the sale and a deed is executed in the name of the county by the chairman of the board of county commissioners, reciting the order, and signed and acknowledged by him for and on behalf of the county-;

2. To audit the accounts of all officers having the care, management, collection or disbursement of any money belonging to the county or appropriated for its benefit-;

3. To construct and repair bridges and to open, lay out and vacate highways: Provided, however, that when any state institution, school or department shall own, lease or otherwise control land on both sides of any established highway, the governing board or body of the same shall have the power to vacate, alter or relocate said highway adjoining said property in the following manner:

If it should appear that it would be to the best use and interest of such institution, school or department to vacate, alter or relocate such highway, the governing board or body shall notify the board of county commissioners, in writing, of their intention to hold a public hearing and determine whether to vacate, alter or relocate such highway, setting forth the location and terminals of said road, and all data concerning the proposed right-of-way if changed or relocated, and shall give fifteen (15) days' notice of such hearing by publication in some newspaper in the county or counties in which the road is located, and such hearing shall be held at the county seat of the county in which the road is located, and if a county line road, may be heard in either county. At such hearing testimony may be taken, and any protests or suggestions shall be received as to the proposed measure, and at the conclusion thereof if the governing board or body shall find that it would be to the best use and interest of such institution, school or department, and the public generally, they may make an appropriate order either vacating, altering or relocating said highway, which order shall be final; provided further, that such institution, school or department may by agreement share the cost of changing any such road; and provided further, that no property owner shall be denied access to a public highway by such order-;

4. Until January 1, 1983, to furnish necessary blank books, plats, blanks and stationery for the clerk of the district court, county clerk, register of deeds, county treasurer and county

judge, sheriff, county surveyor and county attorney, justices of the peace, and constables, to be paid for out of the county treasury; also a fireproof vault sufficient in which to keep all the books, records, vouchers and papers pertaining to the business of the county-i

5. To set off, organize and change the boundaries of townships and to designate and give names therefor: Provided, that the boundaries of no township shall be changed within six (6) months next preceding a general election-i

6. To lease tools, apparatus, machinery or equipment of the county to another political subdivision or a state agency. The Association of County Commissioners of Oklahoma, the Oklahoma State University Center for Local Government Technology and the Office of the State Auditor and Inspector, together, shall establish a system of uniform rates for the leasing of such tools, apparatus, machinery and equipment-i

7. To jointly, with other counties, buy heavy equipment and to loan or lease such equipment across county lines-i

8. To develop minimum personnel policies for the county with the approval of a majority of all county elected officers-i

9. To purchase, rent, or lease-purchase uniforms, safety devices and equipment for the officers and employees of the county-i

10. To provide for payment of notary commissions, filing fees, and the cost of notary seals and bonds-i

11. To do and perform such other duties and acts that the board of county commissioners may be required by law to do and perform-i and

12. To make purchases at a public auction pursuant to the county purchasing procedures in Section 1505 of this title.

B. The county commissioners of a county or, in counties where there is a county budget board, the county budget board may designate money from general county funds for the designated purpose of drug enforcement and drug abuse prevention programs within the county.

C. When any lease or lease purchase is made on behalf of the county by the board pursuant to the provisions of this section, the county shall be allowed to have trade in values for transactions involving the Oklahoma Central Purchasing Act, Section 85.1 et seq. of Title 74 of the Oklahoma Statutes.

SECTION 2. AMENDATORY 19 O.S. 1991, Section 1501, as last amended by Section 1, Chapter 135, O.S.L. 1993 (19 O.S. Supp. 1993, Section 1501), is amended to read as follows:

Section 1501. A. The county purchasing agent:

1. Shall, within the amount of the unencumbered balance, make all purchases that are paid from county funds for the various institutions, departments, officers, and employees of the county, except as otherwise provided for by law;

2. May make purchases for political subdivisions of this state within the county if authorized by appropriate action of the governing board or body of the political subdivision affected;

3. Shall make purchases and rental or lease-purchase agreements only after following the bidding procedures as provided for by law, except:

- a. when the purchase does not exceed ~~One~~ Two Thousand Five Hundred Dollars (~~\$1,500.00~~ \$2,500.00). All purchases made pursuant to this subparagraph shall be by a single purchase order. Splitting purchase orders which would result in paying an amount in excess of the limitations specified in this subparagraph is expressly prohibited. Any person convicted of violating the provisions of this subparagraph shall be guilty of a misdemeanor and such person shall forfeit the person's position or office,
- b. when the total payments of a rental or lease-purchase agreement do not exceed ~~One~~ Two Thousand Five Hundred Dollars (~~\$1,500.00~~ \$2,500.00),
- c. when articles and items are covered by single source contracts,

- ~~d.~~ ~~purchases made at public auction provided, the State Auditor and Inspector's office is notified of the auction before the time of the sale,~~
- ~~e.~~ service or maintenance contracts on equipment or machinery which are entered into at the time of the purchase of the equipment or machinery,
- ~~f.~~ e. purchases made pursuant to a blanket purchase order as provided for in Section 310.8 of Title 62 of the Oklahoma Statutes,
- ~~g.~~ f. when unprocessed native materials for road or bridge improvements do not exceed Two Dollars (\$2.00) per yard or per ton,
- ~~h.~~ g. purchases of fuel if the county purchasing agent obtains telephone quotes from at least three vendors prior to the purchase and the lowest and best quote is selected. Documentation of these quotes shall be recorded in the permanent records of the clerk,
- ~~i.~~ h. purchases of products available to the county through a General Services Administration contract or other federal contract if the item is not on current state contract or the terms of such contract are more favorable to the county than the terms of a state contract for the same products,
- ~~j.~~ i. purchases of tools, apparatus, machinery or equipment from a state agency or a political subdivision of the state as provided for in subsection C of Section 421.1 of this title, ~~or~~
- ~~k.~~ j. purchases of food for prisoners incarcerated in the county jail; provided, in counties having a population in excess of one hundred thousand (100,000) persons, the county purchasing agent shall follow bidding procedures as provided by law unless the county purchasing agent obtains telephone quotes pursuant to the whole total of

food items requisitioned prior to the purchase and the lowest and best quote is selected.

Documentation of these quotes shall be recorded in the permanent records of the county clerk,

- k. when a county solicits bids for the purchase of processed native materials for road and bridge improvements, the county may accept all bids received, with the lowest and best bid from those accepted to be selected at the time of opening of any construction project. The selection of the bid shall be based upon availability, bid price, plus transportation costs,
- l. when a vendor has been selected as the lowest and best bidder to furnish a particular item or items to the county during a specified time period and in the event the vendor is unable to perform, the purchasing agent may solicit telephone quotes for the item or items needed from the list of qualified bidders and provide for the purchase of the items at the lowest and best quote available,
- m. when considering the purchase of an item or items from the state bid list as provided by the Department of Central Services, if the same exact item is available from a local vendor at or below the price listed on the state bid list, the item may be obtained from the vendor,
- n. any item or items bid by the Department of Central Services which may be purchased by the county, provided the vendor is willing to supply the item or items to the county at the bid price, or
- o. purchases made by the county sheriff from private grant funds given to and received by the sheriff.

The purchases shall be paid by attaching properly itemized invoices, as described in Section 1505 of this title, to a purchase order which has been prepared by the county purchasing agent and submitting both to the county clerk for filing,

encumbering, and consideration for payment by the board of county commissioners;

4. Shall not furnish any supplies, materials, equipment, or other articles, except upon receipt of a requisition signed by a county officer. Written requisitions will not be required for blanket purchase orders as provided for in Section 310.8 of Title 62 of the Oklahoma Statutes. Each county officer may designate not more than two employees who also shall be authorized to sign requisitions in the absence of the county officer. A written designation of said employees shall be filed with the county clerk and shall be entered in the minutes of the board of county commissioners;

5. Shall make lease or lease-purchase agreements for road machinery and equipment if the county has adequate funds appropriated during any fiscal year for such purpose and only after following the bidding procedures as provided for in Section 1505 of this title. The term of any lease or lease-purchase agreement authorized pursuant to this paragraph may be for any period up to one (1) year, provided, the term shall not extend beyond the end of any fiscal year, with an option to renew such agreement subject to the requirement that adequate funds are appropriated during the fiscal year by the county for such purpose. The State Auditor and Inspector's office shall be notified by the county of the terms and conditions of a lease or lease-purchase agreement authorized pursuant to this paragraph before any such agreement is made by the county purchasing agent; and

6. Shall perform such other duties as may be delegated to him by the appointing authority or as may be provided for by law.

B. Each department of county government needing repairs to equipment, machinery or vehicles shall ~~take~~ make estimates and requisition a purchase order from the county purchasing agent for repairs not in excess of Two Thousand Five Hundred Dollars (\$2,500.00). Repairs in excess of Two Thousand Five Hundred Dollars (\$2,500.00) shall be submitted on a blanket purchase order as provided in Section 310.8 of Title 62 of the Oklahoma Statutes.

SECTION 3. AMENDATORY 19 O.S. 1991, Section 1502, is amended to read as follows:

Section 1502. A. 1. The State Auditor and Inspector or a designated employee of the State Auditor and Inspector's office shall:

- a. prescribe a uniform identification system for all supplies, materials and equipment of a county ~~having an original cost of Two Hundred Fifty Dollars (\$250.00) or more~~ and used in the construction and maintenance of roads and bridges; and
- b. create and administer an inventory system for all:
 - (1) equipment of a county having an original cost of Two Hundred Fifty Dollars (\$250.00) or more for use in the construction and maintenance of roads and bridges, and
 - (2) supplies and materials of a county purchased in lots of ~~Two Hundred Fifty Dollars (\$250.00)~~ Five Hundred Dollars (\$500.00) or more for use in the construction and maintenance of roads and bridges.

Such person shall be the county road and bridge inventory officer.

2. a. In counties having a county budget board created pursuant to Sections 1402 et seq. of Title 19 of the Oklahoma Statutes, said board may, upon an affirmative vote of a majority of all the board members then in office, appoint a county road and bridge inventory officer who shall be employed by the county and shall have such duties as are provided in subparagraphs a and b of paragraph 1 of this subsection. In the event the board does not appoint a county road and bridge inventory officer the State Auditor and Inspector or designee shall be the county road and bridge inventory officer. An appointed county road and bridge inventory officer shall be under the general supervision and direction of the appointing authority.

- b. An appointed county road and bridge inventory officer shall be authorized necessary assistants to carry out the duties and responsibilities provided by law and as may be delegated by the appointing authority. Provided, the employment of such assistants shall be upon the approval of the appointing authority. The salary of the county road and bridge inventory officer and assistants shall be fixed by the appointing authority.
- c. An appointed county road and bridge inventory officer shall, at the expense of the county, be authorized adequate office space, furnishings, equipment and supplies to carry out the duties and responsibilities of the county road and bridge inventory officer as provided by law and as may be delegated by the appointing authority. Provided, the acquisition of such furnishings, equipment and supplies shall be upon the approval of the appointing authority and the acquisition of office space shall be upon the approval of the board of county commissioners.

B. The board of county commissioners shall:

- 1. Prescribe a uniform identification system for all supplies, materials and equipment of a county ~~having an original cost of Two Hundred Fifty Dollars (\$250.00) or more and not used~~ in the construction and maintenance of roads and bridges; and
- 2. Create and administer an inventory system for all:
 - a. equipment of a county having an original cost of Two Hundred Fifty Dollars (\$250.00) or more and not used in the construction and maintenance of roads and bridges, and
 - b. supplies and materials of a county purchased in lots of ~~Two Hundred Fifty Dollars (\$250.00)~~ Five Hundred Dollars (\$500.00) or more and not used in the construction and maintenance of roads and bridges.

The board of county commissioners may designate an employee of that office to administer such inventory system.

SECTION 4. AMENDATORY 19 O.S. 1991, Section 1505, as last amended by Section 2, Chapter 105, O.S.L. 1993 (19 O.S. Supp. 1993, Section 1505), is amended to read as follows:

Section 1505. The following procedures shall be used by counties for the requisition, purchase, lease-purchase, rental, and receipt of supplies, materials, and equipment for the maintenance, operation, and capital expenditures of county government unless otherwise provided for by law.

A. The procedure for requisitioning items for county offices shall be as follows:

1. The requesting department shall prepare a requisition form in triplicate. The requisition shall contain any specifications for an item as deemed necessary by the requesting department. The form shall be prescribed by the State Auditor and Inspector;

2. The requesting department shall retain a copy of the requisition and forward the original requisition and a copy to the county purchasing agent; and

3. Upon receipt of the requisition, the county purchasing agent, within two (2) working days, shall begin the bidding and purchasing process as provided for in this section. Nothing in this section shall prohibit the transfer of supplies, materials, or equipment between county departments upon a written agreement between county officers.

B. The bid procedure for selecting a vendor for the purchase, lease-purchase, or rental of supplies, materials, and equipment used by a county shall be as follows:

1. The county purchasing agent shall request written recommendations from all county officers pertaining to commonly used supplies, materials, and equipment. From such recommendations and available requisition, purchase, or inventory records, the county purchasing agent shall prepare a list of items commonly used by county officers. The county purchasing agent shall request from the Purchasing Division of the Department of Central Services all contracts quoting the price the state is

paying for said items. The county purchasing agent shall either request the Purchasing Division of the Department of Central Services to make the purchase for the county or solicit bids for unit prices on said items for periods of not to exceed twelve (12) months in the manner described in paragraph 2 of this subsection. If the county purchasing agent receives a requisition for an item for which the county purchasing agent does not have a current bid, the county purchasing agent shall request from the Purchasing Division of the Department of Central Services all contracts quoting the price the state is paying for the item. The county purchasing agent shall either request the Purchasing Division of the Department of Central Services to make the purchase for the county or solicit bids in the manner described in paragraph 2 of this subsection. Nothing in this paragraph shall prohibit bids from being taken on an item currently on a twelve-month bid list, at any time deemed necessary by the county purchasing agent. Whenever the county purchasing agent deems it necessary to take a bid on an item currently on a twelve-month bid list, the reason for the bid shall be entered into the minutes of the board of county commissioners;

2. Bids shall be solicited by mailing a notice to all persons or firms who have made a written request of the county purchasing agent that they be notified of such bid solicitation and to all other persons or firms who might reasonably be expected to submit bids. Notice of solicitation of bids shall also be published one time in a newspaper of general circulation in the county. Notices shall be mailed and published at least ten (10) days prior to the date on which the bids are opened. Proof of the mailing shall be made by the affidavit of the person mailing the request for bids and shall be made a part of the official records of the county purchasing agent. Whenever any prospective supplier or vendor dealing in or listing for sale any particular item or article required to be purchased or acquired by sealed bids fails to enter or offer a sealed bid for three successive bid solicitations, the name of the supplier or vendor may be dropped from the mailing lists of the board of county commissioners;

3. The sealed bids received from vendors and the state contract price received from the Purchasing Division of the Department of Central Services shall be given to the county clerk by the county purchasing agent. The county clerk shall forward the sealed bids and state contract price, if any, to the board of county commissioners;

4. The board of county commissioners, in an open meeting, shall open the sealed bids and compare them to the state contract price. The board of county commissioners shall select the lowest and best bid based upon the availability of material and transportation cost to the job site within thirty (30) days of said meeting. For any special item not included on the list of commonly used items, the requisitioning official shall review the bids and submit a written recommendation to the board before final approval. The board of county commissioners shall keep a written record of the meeting as required by law, and any time the lowest bid was not considered to be the lowest and best bid, the reason for said conclusion shall be recorded. Whenever the board of county commissioners rejects the written recommendation of the requisitioning official pertaining to a special item, the reasons for the rejection shall be entered in their minutes and stated in a letter to the requisitioning official and county purchasing agent;

5. The county purchasing agent shall notify the successful bidders and shall maintain a copy of the notification. The county purchasing agent shall prepare and maintain a vendors list specifying the successful bidders and shall notify each county officer of the list. The county purchasing agent may make purchases from the successful bidders for a price at or below the bid price; and

6. When bids have been solicited as provided for by law and no bids have been received, the procedure shall be as follows:

- a. the county purchasing agent shall determine if potential vendors are willing to commit to a firm price for a reduced period of time, and, if such is

the case, the bid procedure described in this subsection shall be followed, or

- b. if vendors are not willing to commit to a firm price for a reduced period, the purchasing agent shall solicit and record at least three quotes of current prices available to the county and authorize the purchase of goods based on the lowest and best quote as it becomes necessary to acquire such goods. The quotes shall be recorded on a form prescribed by the State Auditor and Inspector and shall be attached to the purchase order and filed with the county clerk's copy of the purchase order. Any time the lowest quote was not considered to be the lowest and best quote, the reason for this conclusion shall be recorded by the county purchasing agent and transmitted to the county clerk, or
- c. if three quotes are not available, a memorandum to the county clerk from the county purchasing agent shall describe the basis upon which a purchase is authorized. The memorandum shall state the reasons why the price for such a purchase is the lowest and best under the circumstances. The county clerk shall then attach the memorandum to the county clerk's copy of the purchase order and file both in the office of the county clerk.

C. After selection of a vendor, the procedure for the purchase, lease-purchase, or rental of supplies, materials, and equipment used by a county shall be as follows:

1. The county purchasing agent shall prepare a purchase order in quadruplicate and submit it with a copy of the requisition to the county clerk;
2. The county clerk shall then encumber the amount stated on the purchase order and assign a sequential number to the purchase order;

3. If there is an unencumbered balance in the appropriation made for that purpose by the county excise board, the county clerk shall so certify in the following form:

I hereby certify that the amount of this encumbrance has been entered against the designated appropriation accounts and that this encumbrance is within the authorized available balance of said appropriation.

Dated this _____ day of _____, 19__.

County Clerk/Deputy
of _____ County.

In instances where it is impossible to ascertain the exact amount of the indebtedness sought to be incurred at the time of recording the encumbrance, an estimated amount may be used. No purchase order shall be valid unless signed by the county purchasing agent and certified by the county clerk; and

4. The county clerk shall file a copy of the purchase order and return the original purchase order and two copies to the county purchasing agent who shall file a copy, retain the other copy for the county road and bridge inventory officer if the purchase order is for the purchase of equipment, supplies, or materials for the construction or maintenance of roads and bridges, and submit the original purchase order to the receiving officer of the requesting department.

D. The procedure for the receipt of items shall be as follows:

1. A receiving officer for the requesting department shall be responsible for receiving all items delivered to that department;

2. Upon the delivery of an item, the receiving officer shall determine if a purchase order exists for the item being delivered;

3. If no such purchase order has been provided, the receiving officer shall refuse delivery of the item;

4. If a purchase order is on file, the receiving officer shall obtain a delivery ticket, bill of lading, or other delivery document and compare it with the purchase order. If any item is

back ordered, the back order and estimated date of delivery shall be noted in the receiving report;

5. The receiving officer shall complete a receiving report in quadruplicate which shall state the quantity and quality of goods delivered. The receiving report form shall be prescribed by the State Auditor and Inspector. The person delivering the goods shall acknowledge the delivery by signature, noting the date and time;

6. The receiving officer shall file the original receiving report and submit:

- a. the original purchase order and a copy of the receiving report to the county purchasing agent, and
- b. a copy of the receiving report with the delivery documentation to the county clerk;

7. The county purchasing agent shall file the original purchase order and a copy of the receiving report;

8. Upon receipt of the original receiving report and the delivery documentation, the county clerk shall maintain a file until such time as an invoice is received from the vendor;

9. The invoice shall state the name and address of the vendor and must be sufficiently itemized to clearly describe each item purchased, the unit price when applicable, the number or volume of each item purchased, the total price, the total purchase price, and the date of the purchase;

10. Upon receipt of an invoice, the county clerk shall compare the following documents:

- a. requisition,
- b. purchase order,
- c. invoice with noncollusion affidavit as required by law,
- d. receiving report, and
- e. delivery document.

The documents shall be available for public inspection during regular business hours; and

11. If the documents conform as to the quantity and quality of the items, the county clerk shall prepare a warrant for payment according to procedures provided for by law.

E. The following procedures are for the processing of purchase orders:

1. Purchase orders may be allowed and paid at the first meeting of the board of county commissioners after five (5) days have elapsed following the date of the filing of the purchase order, provided that purchase orders for the salaries of the county officers and their full-time assistants, deputies and employees may be allowed and paid immediately after filing;

2. The board of county commissioners shall consider said purchase orders so presented and act upon said purchase orders, by allowing in full or in part or by holding for further information or disallowing the same. The disposition of purchase orders shall be indicated by the board of county commissioners, showing the amounts allowed or disallowed and shall be signed by at least two members of the board of county commissioners. Any claim held over for further information shall be acted upon by allowing or disallowing same at any future meeting of the board held within seventy-five (75) days from the date of filing of the purchase order. Any purchase order not acted upon within the seventy-five (75) days from the date of filing shall be deemed to have been disallowed, but such disallowance shall not prevent the refiling of said purchase order at the proper time; and

3. Whenever any allowance, either in whole or in part, is made upon any purchase order presented to the board of county commissioners and is accepted by the person making the claim, such allowance shall be a full settlement of the entire purchase order and provided that the cashing of warrant shall be considered as acceptance by the claimant.

F. The procedure upon consumption or disposal of supplies, materials, or equipment shall be as follows:

1. For consumable items other than road or bridge items having an original cost greater than ~~Two Hundred Fifty Dollars (\$250.00)~~ Five Hundred Dollars (\$500.00), a record of the date and

place of consumption shall be prepared by the consuming department and filed bimonthly with the board of county commissioners;

2. For consumable road or bridge items or materials, a monthly report of the road and bridge projects completed during said period shall be prepared by the consuming department and filed with the county clerk. The report shall contain a record of the date, the place, and the purpose for the use of the road or bridge items or materials. For purposes of identifying county bridges, the board of county commissioners shall number each bridge subject to its jurisdiction;

3. For equipment other than road or bridge equipment which originally cost more than Two Hundred Fifty Dollars (\$250.00), a copy of the minutes required by Section 421 of this title shall be filed with the board of county commissioners; and

4. For road or bridge equipment which originally cost more than Two Hundred Fifty Dollars (\$250.00), a copy of the minutes required by Section 421 of this title shall be filed with the board of county commissioners.

G. Inventory forms and reports shall be retained for not less than two (2) years after all audit requirements for the state and federal government have been fulfilled and after any pending litigation involving the forms and reports has been resolved.

H. The procedures provided for in this section shall not apply when a county officer certifies that an emergency exists requiring an immediate expenditure of funds. Such an expenditure of funds shall not exceed ~~Seven Hundred Fifty Dollars (\$750.00)~~ One Thousand Five Hundred Dollars (\$1,500.00). The county officer shall give the county purchasing agent a written explanation of the emergency. The county purchasing agent shall attach the written explanation to the purchase order. Said purchases shall be paid by attaching a properly itemized invoice, as described in this section, to a purchase order which has been prepared by the county purchasing agent and submitting them to the county clerk for filing, encumbering, and consideration for payment by the board of county commissioners.

SECTION 5. This act shall become effective September 1, 1994.

44-2-8845

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