



Finance

Procedures Manual

December 19, 2023

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CITY OF ENID

FINANCE PROCEDURES MANUAL

SECTION 1: GENERAL PROVISIONS

1.1. Introduction

There is hereby adopted by the City for the purpose of regulating purchases for the City a certain manual known as the "City of Enid Finance Procedures Manual", save and except such portions which may be hereinafter deleted, modified or amended. Any future amendments, modifications or deletions to such manual shall be subject to approval by resolution of the Commission. Further, all employees of the City of Enid shall be required to familiarize themselves with the requirements set forth and shall adhere to its rules, regulations and procedures.

1.2. Purpose

The primary purpose of purchasing is to provide a means to maximize the use of financial resources with sound procurement practices. The City of Enid's purchasing shall embody the following principles:

- A. Centralized authority over purchases.
- B. Employment of competent personnel in all aspects of purchasing.
- C. Purchase of materials, supplies, contractual services, and equipment to maximize to the fullest extent the purchasing value of public funds.
- D. Standardization of procedures and specifications.
- E. Consolidation of requirements into bulk purchase.
- F. Promotion of competitive bidding.
- G. Inspection of goods delivered in order to enforce contractual and specification compliance.
- H. Centralized control over supplies in storerooms.
- I. Centralized control over transfer and disposal of surplus, obsolete, and salvage goods.
- J. Providing that purchases are made when market conditions are favorable.

- K. Prompt payment of all bills in accordance with legal payment procedures as set out in applicable State of Oklahoma laws and the City of Enid Charter in order to earn maximum cash discounts and maintain good vendor relations.
- L. Establishment and maintenance of cordial relationships with vendors.

1.3. Definitions

For the purpose of the Procedures manual, the following terms, phrases, words and their derivatives shall have meaning given herein:

- A. Bid - an offer, as a price, whether for payment or acceptance, used as either an offer by a vendor to the City or an offer by a buyer to the City.
- B. City - refers to the City of Enid, Oklahoma and means the City government in all its forms, including not only all City departments, but also any public trust with the city as a beneficiary, any agency, commission, board or other person or entity acting for or on behalf of the city, but shall not include any independent contractor.
- C. City Manager - means the chief administrative officer of the City or his temporary designee.
- D. Claims List – Bi-monthly listing of all vendor claims set to be paid upon approval of the Commission.
- E. Clerk - means the City Clerk.
- F. Commission - means the Mayor and Board of Commissioners of the City of Enid, Oklahoma.
- G. Contract Modification - means any written alteration in the specifications, delivery point, rate of delivery, contract period, price, quantity or other contract provisions of any contract, whether accomplished by unilateral action in accordance with a contract provision, or by mutual action of the parties to the contract. It includes bilateral actions, such as supplemental agreements and unilateral actions, such as change notices, administrative changes, notices of termination, and notices of the exercise of a contract option.
- H. Contractor - means the contracting party for providing services, materials, and/or equipment.

- I. Contractual Services - shall not include professional services, contractual services that are in their nature unique and not subject to competition, contractual services that can only be procured from sole source vendors, public construction contracts or maintenance of public property contracts.
- J. Director of Purchasing - means the City Manager.
- K. Enterprise Funds - funds which recover all or a part of the cost of providing the service through user charges.
- L. Includes - means inclusive but not limited to.
- M. Invitation for Bids - bids submitted in sealed envelopes to the City Clerk or other designated official to be opened at the designated time and place.
- N. Items - means any commodity, materials, supplies, or equipment.
- O. Maintenance of Public Property Contract - means any contract, exceeding \$100,000 in amount, or any construction management trade contracts or subcontracts exceeding \$50,000 awarded by the City for the purpose of maintaining or repairing any public improvement, but shall not include any maintenance or repair to any equipment, supplies or materials.
- P. Manual - Finance Procedures Manual.
- Q. May - means permissive.
- R. Online Auctions - means an auction conducted entirely on the internet.
- S. Procedures Manual – City of Enid Finance Procedures Manual.
- T. Procurement - means the process of obtaining goods or services, including all activities from preparation and processing of a requisition, including inventories management, through receipt and approval of the final invoice for payment.
- U. Professional Services - means any specialized service, help, use, or benefit provided to the City by a person, persons or group for a specific situation as defined under Section 8.x of this manual.
- V. Proposal - means a formal written offer or bid containing prices and other terms made by a vendor.

- W. Public Construction Contract - shall mean any contract, exceeding \$100,000 in amount, or any construction management trade contracts or subcontracts exceeding \$50,000 in amount, awarded by the City for the purpose of making any public improvements or constructing any public building or making repairs to the same, except where the improvements, construction of any buildings or repairs to the same are improvements of buildings leased to a person or other legal entity for private and not public use and no public tax revenue shall be expended on or for said public construction contract unless the public tax revenues used for the project and authorized by a majority of the voters voting at an election held for that purpose and the public tax revenues do not exceed 25% of the total project cost. The amount of public tax dollars committed to the project will not exceed a fixed amount established by resolution prior to or concurrent with approval of the project.
- X. Public Improvement - means any beneficial or valuable change or addition, betterment, enhancement or amelioration of or upon any real property, or interest therein, belonging to a public agency, intended to enhance its value, beauty or utility, or to adapt it to new or further purpose. The term does not include direct purchase of materials, equipment or supplies, provided that the materials are not purchased in increments for an amount of less than \$100,000 and used for the purpose of completing a single project, or any personal property as defined in 62 Okla. Stat. § 430.1B (1 and 4).
- Y. Public Notice - means the placement of the required notice in a local newspaper of general circulation within the city and other publications as desired in order to notify the public that the City is requesting bids on specific purchases or items to sell.
- Z. Request for Proposal (RFP) - proposals submitted for professional services, or other contractual services.
- AA. Reverse Auction - a real-time bidding process taking place at a previously scheduled time and Internet location and for a previously established duration, in which multiple suppliers, anonymous to each other submit bids to provide goods and services.
- BB. Shall - means imperative.
- CC. Solicitation For Bid - means a formal request for a written bid.

- DD. Supplies - all supplies, materials and equipment, except those that can only be procured from sole source vendors or are in their nature unique and not subject to competition.
- EE. Using Agency - means any department, board, commission, agency, division, section, bureau or other entity in the City government using supplies or procuring contractual services as provided herein.
- FF. Vendor - means a supplier of commodities, services including professional services, and/or equipment.
- GG. Vendor List – List of possible vendors used to solicit bids.
- HH. Written Price Quotation - means a written response from a vendor to a request for a price bid or quotation for a supply or contractual service in an amount equal to and greater than \$5,000 but less than \$100,000.

1.4 Authority and Responsibilities

- A. City Manager - The City Manager shall establish the rules and regulations for the purchase and procurement of all materials, supplies, equipment and contractual or professional services in accordance with applicable state laws, city charter provisions and ordinances and this manual.
- B. Director of Finance – The City Manager designates the Director of Finance shall be the Director of Purchasing and shall have charge of directing, implementing, and maintaining the purchasing policies as set by the Board of Commissioners and City Manager. The Director shall:
 - 1. Coordinate all competitive bidding requirements encompassed by the City's procedures manual; and
 - 2. Delegate purchasing authority to departments in accordance with applicable rules and regulations as set out in the procedures manual; and
 - 3. Approve or reject purchases made by various departments consistent with procedures manual rules and regulations; and
 - 4. Coordinate and supervise storerooms, warehouses and inventories of supplies, materials and parts belonging to the city; and
 - 5. Develop annual bid list of capital equipment and supplies; and

6. Designate which items will be procured through the Warehouse/Finance; and
 7. Do all other things as directed by the City Manager or his designee.
- C. Finance/Warehouse - They shall work under the direction of the Director of Finance and shall be responsible for the daily operations of purchasing and budgeting. The Finance Division shall be responsible for:
1. Representing the City as the central contact with vendors and supply sources except for contracts for public improvements or the maintenance of public property which shall be administered by the Director of Public Works, Director of Public Utilities or Director of Engineering as applicable; and
 2. Checking requests for purchases for reasonableness, and budget authority; and
 3. Confirming whether there exists an unencumbered balance of budgeted funds and available cash and to encumber funds for payment of purchases; and
 4. Representing the city on disputed bills, terms and other related matters except for contracts for public improvements or the maintenance of public property; and
 5. Delegating purchasing duties as necessary to the operating divisions.

The Warehouse shall purchase supplies, materials and parts used by the departments in their general operations and such purchases shall be made in accordance with the provisions of the procedures manual. The Warehouse shall maintain a computerized current inventory of all parts, supplies and materials listing usage histories, current number on hand, cost, date and quantity of purchases. Such inventory shall be updated daily and readily available for review. Purchases are to be made taking into consideration need, historical usage, product quality, product availability, price and applicable purchasing procedures.

Finance\Warehouse and designated various departments shall be responsible for purchasing and stocking paper forms, such as purchase orders, utility bills, envelopes, photocopying paper, computer paper, various customer notices, writing instruments and notebook pads. A computerized inventory shall be maintained listing usage histories, quantity on hand, purchase dates, purchase quantities and cost. Purchases shall be made

taking into consideration historical usage, need, product quality, product availability, price and applicable purchasing procedures.

D. Department Heads - The department head shall:

1. Inform and train departmental personnel on the requirements of this manual and ensure adherence;
2. Communicate needs for rolling stock and facility maintenance supplies, equipment and materials to the Warehouse;
3. Communicate needs for office supplies, equipment and materials to Finance or designated departments;
4. Needs for departments shall be communicated with enough lead time to the Warehouse, Finance or designated departments so that procurements can be made using applicable procedures manual procedures;
5. Utilize effective material requirements planning to maximize efficiency in the City's procurement schedule;
6. Provide accurate and complete information on items requested and timely preparation of requisitions;
7. Prepare item descriptions and assist the Warehouse, Finance or designated departments in negotiation for supplies or contractual services of a technical or unusual nature when requested, and suggest possible sources of supply;
8. Designate certain employees with authority to prepare requisitions and make requests for purchase of certain items;
9. Inspect or supervise the inspection of supplies, services and equipment delivered, and determine acceptability of their quality, quantity, and conformance with specifications as requested by the Warehouse, Finance or designated departments; and
10. Prepare vendor lists for bidding proposals.

1.5 Conflict of Interest, Generally

No municipal officer or employee, or any business in which said officer, employee, or spouse of the officer or employee has a proprietary interest, shall engage in:

- A. Selling, buying, or leasing property, real or personal, to or from the municipality; or
- B. Contracting with the municipality; or
- C. Buying or bartering for or otherwise engaging in any manner in the acquisition of any bond, warrants, or other indebtedness of the municipality.

Proprietary interest is defined as ownership of more than 25% of the business or other stock therein or any percentage, which constitutes a controlling interest but shall not include any such interest held by a blind trust.

For purposes of this conflict of interest provision, contracting does not include utilizing library cards, accessing city services such as water, trash, renting a room at the Event Center or playing golf at Meadowlake Park.

This conflict of interest provision is based upon 11 Okla. Stat. §8-113.1. These conflicts of interest constitute a misdemeanor under Oklahoma law. Any transaction that violates Section 8-113 is rendered void and any member of the governing body who approves any such transaction shall be personally liable for the amount of the transaction.

The Oklahoma Constitution also has a conflict of interest provision. Article 10, §11 reads:

The receiving, directly or indirectly, by any officer of the State, or of any county, city or town, or member or officer of the Legislature, of any interest, profit, or perquisites, arising from the use or loan of public funds in his hands, or moneys to be raised through his agency for State, city, town, district, or county purposes shall be deemed a felony. Said offense shall be punished as may be prescribed by law, a part of which punishment shall be disqualification to hold office.

The City Charter also includes conflict of interest provisions. Part A, Article VII, Section 11 of the Charter reads:

Any officer of said City who shall, while in office, accept any donation or gratuity in money or other valuable thing, either directly or indirectly from any person or corporation dealing with the City or any subordinate or employee, or from any candidate or applicant for any position as employee or subordinate under him, shall forfeit his office and be forever debarred and disqualified from holding any position in the service of the City.

Neither Mayor nor any member of the Board of Commissioners, nor any elective or appointive employee of the City, shall be directly or indirectly in the employ of any person, company, or corporation holding or seeking to hold any franchise of the City of Enid, or shall receive directly or indirectly, any wages, commission, gift or favor, or payment from any such franchise holder; and a violation of this section shall ipsofacto render vacant the position held by the person so violating it, and shall be punished as bribery.

No member of the Board of Commissioners or any other officer of said City shall be directly or indirectly financially interested in any work, business or contract, the expenses, price or consideration of which is paid from the City Treasury, or by any assessment levied by ordinance or resolution of the Board, or Commissioners; nor be surety of any person having any contract work or business with the City for the performance of which security may be required, nor be the surety on the official bond of any officer of the City. Contracts in violation of said provision shall be void.

The term "directly or indirectly financially interested in any work, business or contract" found in Section 11 of the Charter has been defined in the Enid Municipal Code as "only that interest which would be prohibited by 11 Okla. Stat. §8-113". See, Enid Municipal Code Sec. 1-5.

The Public Competitive Bidding Act of 1974 has a separate conflict of interest provision. See, 61 Okla. Stat. §114. It provides that the City Manager, the Mayor, and the City Commissioners and their relatives with the third degree of consanguinity or affinity, are forbidden to be interested directly or indirectly through stock ownership, partnership interest or otherwise in any contract covered by the Public Competitive Bidding Act. Contracts entered into that violate this standard are void. Persons willfully violating this section shall be guilty of a felony and shall be subject to removal from office.

In addition to these provisions, care must be taken to review any particular ethical provisions that apply to particular employees or officers of the City of Enid that bind that office or employee because of a status other than their status as a public servant. (For example, those employees who have professional licenses such as attorneys or certified public accountants).

1.6 Discretionary Conflicts of Interest

Officers and employees of the City of Enid may have an interest in a matter involving the City that does not arise to the level of a conflict of interest under Section 1.5, but, involvement with the matter may have an appearance of impropriety or make the individual uncomfortable. The individual in these circumstances may choose a variety of options:

- A. Disclosure of the discretionary conflict of interest to the appropriate body within the city. (For employees, disclosure to your immediate supervisor or the City Manager would be appropriate. For an elected official, disclosure to the Mayor and Board of Commissioners as a whole is appropriate).
- B. Disclosure to the appropriate body and withdraw from any involvement in the matter where feasible.
- C. Divesture of the conflict of interest.

SECTION 2: SUPPLIES AND CONTRACTUAL SERVICES OTHER THAN PUBLIC CONSTRUCTION AND MAINTENANCE OF PUBLIC PROPERTY CONTRACTS

2.1 Competitive Sealed Bidding (Formal Bid Award) - over \$100,000

All expenditures for supplies or contractual services in excess of the estimated cost of \$100,000 will be purchased by formal written contract (purchase order from the lowest responsible bidder), after due notice inviting proposals. In cases where contracts exist with the State of Oklahoma or any political sub-division thereof, United States government or any agency thereof, or other purchasing consortium, the City may exercise the option of awarding its own contract or of buying under the terms of such existing contracts.

2.2 Competitive Sealed Bidding Procedures - over \$100,000

A. Specification Responsibility

Department heads will prepare bid specifications along with a list of potential bidders and submit to the City Clerk for bid solicitation. Exception: All rolling stock specifications (autos, trucks, dozers, graders, mowers, etc.) will be prepared by the Fleet Management Supervisor and approved by the Director of Public Works, Director of Finance, and the City Manager.

B. Evaluation Factors

Proposal evaluation factors should be standards, which measure how well the product, or service meets desired needs and permits an evaluation between what is needed and what is proposed.

C. Bid Solicitation

The Department Head and Fleet Management Supervisor, if applicable, will develop a vendor list and convey the same to the City Clerk. Solicitations will then be mailed to prospective bidders by the City Clerk. Additionally, the Clerk will publish one notice in a daily newspaper three days before the last day set for receipt of proposals. Such notice will include a general description of the services required or the articles to be purchased shall state where bid forms and specifications may be secured, and the time and place for bid opening.

D. Bid Opening and Tabulation

Sealed bids shall be received by the City Clerk and shall be identified as bids on the envelope. Such bids shall be opened and read aloud by the City

Clerk at the time and place specified in the bid documents. A bid tabulation or canvass of bids will be prepared by the responsible department head with one copy given to the City Clerk for review by the applicable administrative head, Director of Finance and City Manager. The applicable administrative head will then write an agenda item and forward to the City Manager's executive assistant along with the canvass of bids and a vendor list for inclusion on the next commission meeting agenda. The recommendation to the commission shall be the lowest responsible bid.

E. Bid Rejection

The Board of Commissioners may reject any or all bids or parts of bids when the public interest would be best served and may request a rebidding.

F. Bid Award

The Board of Commissioners shall award bids under the competitive sealed bidding procedures. Bids will be awarded on the basis of the lowest responsible bidder. Factors to be used in bid award include, but are not limited to:

1. The ability, capacity and skill of the bidder to perform the contract or provide the service as per specifications;
2. Whether the bidder can perform the contract or service promptly or within the time specified;
3. Character, integrity, reputation, judgment, experience and efficiency of bidder;
4. Quality of performance of previous contracts or services;
5. Previous and existing compliance by the bidder with laws and ordinances relating to contracts and services;
6. Sufficiency of the bidder's financial resources and ability to perform the contract or service;
7. Quality, availability, and adaptability of the supplies or contractual services to the use required;
8. Ability of the bidder to provide future maintenance and service for the use of the subject of the contract;

9. Number and scope of conditions attached to the bid; and
10. Price.

Prior to an award of a public construction contract, the person that received the award shall furnish a bond with good and sufficient sureties payable to the City in a sum not less than the total sum of the contract.

G. Award to Other Than Lowest Responsible Bidder

The user department shall always recommend the person or vendor who represents in their judgment the lowest responsible bidder to the Commission. However, it is recognized that the judgment of the Commission with regard to who should be awarded the contract should prevail. When the bid award is not given to the lowest responsible bidder, a full and complete statement of the reasons for selecting the successful bidder shall be entered into the official minutes of the commission by motion.

H. Tie Bids - Local Vendors

If two or more bids received are for the same unit price, quality and service being equal, the contract shall be awarded to the local vendor.

I. Non-Local Bidders

If two or more bids received are for the same unit price, quality and service being equal, the contract will be awarded to the vendor whose bid is deemed most advantageous to the City.

J. No Timely Bid Received

If no timely bid is received after bid notices have been published on any supplies or contractual services whose estimated cost exceeds \$100,000, the Board of Commissioners may direct the City Manager to negotiate a contract with a prospective supplier or contractor.

K. Prohibition Against Subdivision

No contract or purchase shall be subdivided to avoid the provisions of the Purchasing Ordinance, Finance Procedures Manual, or State Law.

L. Contract Coordination

Upon contract award, the user department will coordinate contract negotiations between the successful bidder and the City. The user department will insure that all contract documents are completed with one complete set of original documents being delivered to the City Clerk.

M. Requisition

The City Clerk will prepare and submit a requisition at the time of the contract award for approval. The Finance Division will issue a purchase order and encumber the funds. The purchase order will be signed by the Director of Finance and City Clerk.

N. Payment

Following receipt of the goods or services and the invoice, accounts payable will be notified to make payment. Notice to accounts payable will consist of the receipt of copies of the purchase order, approved invoice, and applicable affidavits. The department head must sign or initial the invoice to indicate that it is ready to be paid and we received all goods and services listed. The department head shall include a valid account, if known.

**SOLICITATION FOR BIDS
(BID NOTICE)**

Sealed bids will be received by the City of Enid, Oklahoma, a Municipal Corporation, in the Office of the City Clerk, located in the City Administration Building, 401 West Owen K. Garriott Road, Enid, Oklahoma, 73701, until 4:00 P.M. local time on the _____ day of _____ 20_____, for:

NAME OF PROJECT

Said bids will be publicly opened and read aloud at 4:10 P.M. local time on the _____ day of _____ 20_____, in the Council Chambers located on the first floor of the City Administration Building. All bids will remain on file in the office of the City Clerk.

Bids received after the final time set for receipt of proposals will not be considered and will be returned unopened.

No bid may be withdrawn after the scheduled time for receipt of bid for at least 60 days.

Complete sets of the general conditions, specifications and other bidding documents are on file in the Office of the City Clerk, and open for public inspection. Copies may be obtained at said office, or at www.enid.org.

Each bidder shall submit a bid on the enclosed form, and attach a complete description with the bid. Bid price shall be F.O.B. Enid, Oklahoma with Federal, State, and local tax excluded.

The successful contractor may be required to furnish Statutory, Performance, and Maintenance Bonds, as well as General Liability or OCP Insurance, as specified in the general conditions of the bid documents.

An executed Business Relationships Affidavit, Non-Collusion Affidavit and Energy Discrimination Elimination Act of 2022 Boycott Affidavit shall accompany the sealed bid of each vendor, or the bid may be rejected.

Should more than one proposal be submitted for the same receipt date, whether on the same item or different items, each proposal shall be enclosed in a separate envelope with proposal or bid sheet on top.

The City of Enid reserves the right to reject any and all bids and to waive informalities. Should the bidder be unable to meet or exceed the stated specifications, they may submit a bid which best meets the City's specifications. Should the City fail to receive a bid which meets or exceeds the specifications, it may, at its option, award a contract to the bidder whose bid best satisfies the requirements contained within the specifications as determined by the Mayor and Board of Commissioners.

Dated this _____ day of _____, 20_____.

CITY OF ENID, OKLAHOMA

(SEAL)

By: _____
City Clerk

2.4 Open Market Purchases - \$100,000 or less.

A. Open Market Purchases

All purchases of supplies or contractual services of \$100,000 or less may be made in the open market without newspaper advertisement and without observing the procedure for formal bid award, except as otherwise provided herein. Under normal circumstances, the Department Head or designee will notify the Warehouse, Finance or designated departments, respectively, of the Department's needs. The Warehouse, Finance or designated departments will prepare the applicable requisition and forward same to the Finance Division for entry into the accounting records. Finance will encumber the funds and issue a purchase order. No order shall be issued to the user department until the City Clerk certifies that there are unencumbered funds to the credit of the using department sufficient to fund the purchase order. The purchase order requires the signature of the Director of Finance and the City Clerk. No purchases will be made unless a valid purchase order is issued in advance, unless the purchase is for less than \$5,000. Bid award will be to the lowest responsible bidder. Bid prices may be honored for 90 days from bid solicitation for additional identical items. Written quotations shall be documented on the quotation summary sheet.

B. Open-Market Purchases

1. Open market purchases equal to or greater than \$5,000 but \$100,000 or less shall be based upon three written quotations which will be valid for not more than 90 days.
2. Open market purchases less than \$5,000 shall be based upon open market direct solicitation. It is not necessary to get a purchase order in advance of the purchase for this level of purchase.

C. Award

Awards in the above instances shall be to the lowest responsible bidder. Finance will maintain a written record of all open market bids and such records will be open to the public.

D. Payment

Upon receipt of the invoice, accounts payable will be notified to process payment to the vendor. Such notice will consist of receipt of copies of the requisition, purchase order, and invoice. Such officer shall ensure that the

invoice is signed and dated by the department head or designee to verify the receipt of the goods and or services. A claims list of current invoices submitted to the city for payment shall be included in the agenda packets of the Commission meeting. Vendor payment may be made by warrant, check or wire transfer and shall be signed by the Director of Finance.

2.5 Unique Purchases

It is recognized that certain supplies or contractual services are unique in nature due to a material feature or characteristic. Such supplies or services need not be competitively bid. Accordingly, the department head shall verify in writing that the item or service is unique.

2.6 Sole Source Purchasing

It is recognized that certain supplies and contractual services may only be procured from sole source vendors. (i.e., maintenance provided on the City's computer or photo copying equipment parts). Therefore, when it can be documented in writing by the department head that the supply or contractual service cannot be competitively bid due to sole source availability, the supply or contractual service may be procured without following the normal bidding procedures. Such documentation shall be forwarded with a requisition to the Director of Finance and shall be attached to the purchase order. Sole source acquisitions above \$100,000, will appear as independent items on the Commission's agenda.

2.7 Reverse Auction Bidding

A. The following procedure may be used as an alternative to the procedures for open market purchasing of supplies and contractual services in Section 2 of this manual:

1. A bid opening and bid closure. At the opening date and time, the City shall begin accepting reverse auction electronic bids. Reverse auction bids shall be accepted until the bid closure, except as provided by paragraph 6 of this subsection, unless the City determines it is in its best interest to extend the closing time and notifies the reverse auction bidders of the extended closing time by public announcement at the internet location at least 15 minutes prior to the original closing time.
2. The City will post all reverse auction bids electronically and update bids on a real-time basis.

3. The City will require bidders to register before the opening date and time and as part of that registration will require bidders to agree to any terms, conditions or other requirements of the solicitation.
4. The City may require potential bidders to pre-qualify as bidders and restrict solicitations to pre-qualified online and reverse auction bidders.
5. The City reserves the right to determine the criteria that will be used as the basis for making awards; and
6. The City reserves the right to determine that it is in its best interest to allow the acceptance of an electronic bid after the specified official closing date and time, if it determines that a significant error or event occurred that affected the electronic receipt of any reverse auction bid.

2.8 Emergency Purchases (not under the Public Competitive Bid Act)

- A. The provisions as to notice and bids shall not apply whenever the Commission declares by a (2/3) vote that an emergency exists. The reasons for declaring an emergency and not complying with the provisions of this section shall be entered into the official minutes of the Commission.
- B. The City Manager may declare an emergency in which requirements for notice and bids shall not apply. Such authority shall not exceed any contract for supplies or contractual services for equal to or greater than \$150,000. The Manager shall notify the Commission of such action within ten days giving a full written statement of the reasons for such action. Such statement shall be recorded in the official minutes of the Commission.

SECTION 3: PUBLIC COMPETITIVE BIDDING ACT - PUBLIC CONSTRUCTION CONTRACTS AND ALL MAINTENANCE OF PUBLIC PROPERTY CONTRACTS

3.1 Competitive Bids

All public construction contracts exceeding \$100,000 or construction management trade contracts or subcontracts exceeding \$50,000 shall be let and awarded to the lowest responsible bidder, by open competitive bidding after solicitation for sealed bids in accordance with these provisions and the Public Competitive Bidding Act of 1974, 61 Okla. Stat. 101-139, et seq. or as hereafter amended by the State Legislature. No work shall be commenced until a written contract is executed, all required bonds and insurance have been provided by the contractor to the City of Enid, and a purchase order has been issued.

3.2 Definitions

- A. "Bidding documents" means the bid notice, instruction to bidders, plans and specifications, bidding form, bidding instructions, general conditions, special conditions and all other written instruments prepared by or on behalf of the City of Enid for use by prospective bidders on public construction contracts.
- B. "Retainage" means the difference between the amounts earned by the contractor on a public construction contract, with the work being accepted by the City of Enid and the amount paid on said contract by the City of Enid.

3.3 City May Appoint Purchasing Agent

The City may duly appoint as its agent any individual or representative with whom the City has duly entered into a public contract pursuant to law, to make purchases necessary for carrying out a public contract.

3.4 Bid Notice

All proposals to award public construction contracts shall be made equally and uniformly known by the City of Enid to all prospective bidders and the public in the following manner:

- A. Notice thereof shall be given electronically and by publication in a newspaper of general circulation and published in the county where the work, or the major part of it, is to be done. Such notice by publication shall be published in two consecutive weekly issues of the newspaper, with the first publication thereof to be at least 21 days prior to the date set for opening bids; and

- B. Notice thereof shall be sent to one in-state trade or construction publications, such as the Southwest Construction News, for their use and information whenever the estimated cost of the public construction contract exceeds \$100,000 or the cost of the construction management trade contract or subcontract exceeds \$50,000; provided, however, this section shall not be construed to require the publication of the notice in such trade or construction publications or the requirement to provide the notice to more than one in-state trade or construction publication or to any out-of-state trade or construction publications.

3.5 Contents of Bid Notices

All bid notices shall set forth the following information:

- A. The character of the proposed public construction contract in sufficient detail that all bidders shall know exactly what their obligation will be, either in the bid notice itself or by reference to bidding documents available to the public and on file in the City Clerk's Office of the City of Enid;
- B. The City Clerk's name and address from whom a complete set of bidding documents regarding such proposed contracts may be obtained together with the amount of the cost deposit required therefore, if any;
- C. The date, time and place of opening of the sealed bids either in person or electronically;
- D. The name, office location and address of the office with the City of Enid to whom the sealed bids should be submitted, if different than the City Clerk's office, or information sufficient to enable a bid to be submitted electronically; and
- E. Any additional information regarding such proposed contract deemed by the City of Enid to be of beneficial interest to prospective bidders or the public.

3.6 Bidding Documents to be on File

At least one complete set of bidding documents regarding a proposed public construction contract shall be on file at the City Clerk's office of the City of Enid at least 20 days prior to the date set for opening bids. The City Clerk shall have a sufficient number of complete sets of said bidding documents and shall provide a complete set of same to any prospective bidder, upon request; provided however, that the City of Enid may charge a reasonable fee for each such set, provided that

such fee shall not exceed the actual cost of duplicating or printing. The City of Enid shall retain all or part of said fee.

3.7 Check or Bond to Accompany Bid

- A. Each bidder on a public construction contract shall accompany his bid with:
 - 1. A certified check, cashier's check or bid bond equal to 5% of the bid which shall be deposited with the City of Enid as a guaranty; or
- B. The cost of republication of Notice to Bidders, actual expenses incurred by reason of the bidder's default and the difference between the low bid of the defaulting bidder and the amount of the bid of the bidder to whom the contract is subsequently awarded, but not to exceed the amount of the certified check, cashier's check or bid bond, shall be forfeited to the City of Enid in the event the apparently successful bidder fails to execute the contract or fails to provide the required bonds and insurance to the City of Enid.
- C. Said certified or cashier's check or bid bond shall be returned to the successful bidder on execution and delivery of the contract and required bonds and insurance. Checks of unsuccessful bidders shall be returned to them in accordance with the terms of this procedures manual.

3.8 Written Statement Under Oath to Accompany the Bid

Each bidder shall accompany his bid with a written statement, under oath, disclosing the following information:

- A. The nature of any partnership, joint venture, or other business relationships then in effect or which existed within one year prior to the date of such statement with the architect, engineer or other party to the project;
- B. Any such business relationship then in effect or which existed within one year prior to the date of such statement between any officer or director of the bidding company and any officer or director of the architectural or engineering firm or other party to the project; and
- C. The names of all persons having any such business relationships and the position that they hold with their respective companies or firms. If none of the business relationships hereinabove mentioned exist, then bidders should provide a statement to that effect.

3.9 Late Bids

Any bid received by the City of Enid, or an officer and employee thereof, more than 96 hours excluding Saturdays, Sundays and holidays, before the time set for opening of the bids, or any bid so received after the time set for opening the bid, shall not be considered by the City of Enid and shall be returned unopened to the bidder submitting the same.

3.10 Opening of Bids

Bids, whether submitted in paper or electronic format, shall be opened only at the time and place listed in the bidding documents. Paper bids shall be opened and read aloud by the City Clerk at the time of the opening. Such bid openings shall be open to the public and to all bidders. Electronic bids shall not be viewable prior to the time listed for bid opening in the bidding documents. Electronic bids may be opened in a public bid opening in the same way as paper bids. A public bid opening is not required for electronic bids if the City of Enid electronically publishes the bids on its website at the time of the bid opening.

3.11 Time for Award of Contract

The awarding of a contract to the lowest responsible bidder or bidders shall be made within thirty days after the opening of bids unless the City of Enid, by formal recorded action and for good cause shown, provides for a reasonable extension of that period, which extension in any event shall not exceed fifteen days where only state or local funds are involved or not to exceed ninety days on any award of contract for the construction of public improvements where funds are utilized that are furnished by an agency of the United States Government. Upon mutual written agreement between the lowest responsible bidder or bidders and the City of Enid, the contract award period may be extended no more than one hundred twenty days from the bid opening date.

3.12 Bids, Contracts, Bonds, Open for Public Inspection

All bids, both successful and unsuccessful, and all contracts and required bonds shall be placed on file and maintained in the City Clerk's office for a period of five years from the date of opening of bids or for a period of three years from the date of completion of the contract, whichever is longer, and shall be open to public inspection and shall be a matter of public record.

3.13 Execution of Contract - Bond — Insurance — Administrative Error

A. Except as otherwise provided by law, within the period of time, not to exceed sixty days, specified in the bid notice by the City of Enid, a contract

embodying the terms set forth in the bidding documents shall be executed by the City of Enid or, where construction management at risk is the project delivery method, by the construction manager and the successful bidder. No bidder shall obtain any property right in a contract award under these provisions until the contract has been fully executed by both the bidder and the City of Enid. Contracts may be executed at the time of award if it is in the best interests of the City of Enid.

- B. Except as otherwise provided by law, within such period of time, bonds in compliance with Section 1 of Title 61 of the Oklahoma Statutes, as further described in the following, shall be provided by the contractor to the City of Enid for public construction contracts exceeding \$100,000 or construction management trade contracts or subcontracts exceeding \$50,000:
1. A good and sufficient bond in a sum equal to the contract price containing such terms as may be prescribed by the City of Enid, issued by a financial institution insured by the Federal Deposit Insurance Corporation for the benefit of the City of Enid in a sum equal to the contract price to ensure that the contractor shall pay all indebtedness the contractor incurs for the contractor's subcontractors and all suppliers of labor, material, rental of machinery or equipment, and repair of and parts for equipment the contract requires the contractor to furnish.
 2. A good and sufficient bond in a sum equal to the contract price with an adequate surety containing such terms as may be prescribed by the City of Enid issued by a financial institution insured by the Federal Deposit Insurance Corporation for the benefit of the City of Enid in a sum equal to the contract price to ensure the proper and prompt completion of the work in accordance with the provisions of the contract and bidding documents;
 3. A good and sufficient bond in a sum equal to the contract price containing such terms as may be prescribed by the City of Enid, issued by a financial institution insured by the Federal Deposit Insurance Corporation for the benefit of the City of Enid in a sum equal to the contract price to protect the City of Enid against defective workmanship and materials for a period of one year after acceptance of the project; and
 4. Public liability and workers' compensation insurance during construction in the statutory amount. The City of Enid may require the contractor to name said City of Enid and its architects and engineers as additional insureds under such public liability insurance,

which requirement, if made, shall be specifically set forth in the bidding documents.

- C. For any contract not exceeding \$100,000 the contractor shall submit an affidavit of the payment of all indebtedness incurred by the contractor, subcontractors, and all material men for labor, materials, rental of machinery or equipment, and repair of and parts for equipment as are used or consumed in the performance of the contract.
- D. Bonds, public liability and worker's compensation insurance may be required on contracts of less than \$100,000 at the discretion of the City.
- E. If the contractor needs additional time in which to obtain the bond required pursuant to this section, he may request same and the City of Enid may allow such contractor an additional 60 days within which to obtain said bond.
- F. Subsequent to the award of a contract, but prior to its execution, the City of Enid, upon discovery of an administrative error in the award process that would void an otherwise valid award, may suspend the time of execution of the contract until the next regularly scheduled public commission meeting of the city of Enid. At the next public commission meeting, the City of Enid, upon the record, shall present to the Mayor and Board of Commissioners that such an error has been made with the award process and shall state the nature of the error. The Mayor and Board of Commissioners, upon presentation of the facts of the error, may rescind the award and re-advertise for bids, or may direct correction of the error and award the contract to the lowest responsible bidder, which ever shall be in the best interest of the City of Enid.

3.14 Partial Payment/Retainage

A public construction contract shall provide for partial payment based upon work completed. The contract shall provide that up to five percent of all such partial payments may be withheld as retainage. At any time the contractor has completed an excess of fifty percent of the total contract amount, the retainage may be reduced to two and one-half percent of the amount earned to date if the owner or owners duly authorized representative has determined that satisfactory process has been made and upon approval by the surety.

The contractor may, from time to time, withdraw any part, or the whole, of the amount which has been retained for partial payments to the contractor pursuant to the terms of the contract upon depositing with or delivering to the City of Enid or other appropriate public official designated in the contract document:

- A. United States Treasury bonds, United States Treasury notes, United States Treasury bills; or
- B. General obligation bonds of the State of Oklahoma; or
- C. Certificates of deposit from a state or national bank having its principal office in the State of Oklahoma. No retained amount shall be withdrawn which would represent an amount in excess of the market value of the security at the time of the deposit or of the par value of such securities, whichever is lower. At the time of deposit of any sureties the same shall be endorsed, if necessary, and shall be accompanied by a conditional assignment to the City of Enid or to the other public body designated as owner in the contract documents which will empower the City of Enid or other appropriate public official designated to have custody of same, to negotiate same, at any time to the extent necessary to cause the contract to be fulfilled. The securities which remain on deposit at the time of completion of any contract and observance by the parties to the contract of any other statutory obligations relative thereto shall be returned to the contractor.

3.15 Interest Rate

The City of Enid shall pay to the contractor interest at the rate of 1.5% per month of the final payment due to the contractor. For lump sum contracts, the interest shall commence thirty days after the work under the contract has been completed and accepted and all required material certifications and other documentation required by the contractor have been furnished to the City of Enid by the contractor, and shall run until the date when the final payment or estimate is tendered by the contractor.

For contracts bid by unit prices, the interest shall commence sixty days after the above conditions are satisfied. When contract quantities or the final payment amount is in dispute, the interest bearing period shall be suspended until the settlement of the dispute.

3.16 Conflict of Interest

The City Manager and the Mayor and Board of Commissioners of the City of Enid, authorizing or awarding or supervising the execution of a public construction contract, and their relatives within the third degree of consanguinity or affinity, are forbidden to be interested, directly or indirectly, through stock ownership, partnership interest, or otherwise, in any such contract. Contracts entered into in

violation of this provision shall be void and persons willingly violating this provision shall be guilty of a felony and shall be subject to removal from office.

3.17 Collusion Among Bidders

Any agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition, by agreement to bid at a fixed price, or to refrain from bidding, or otherwise, shall render the bid of such bidders void and persons willfully violating this provision shall be guilty of a felony. Each bidder shall accompany his bid with a sworn statement that he has not been a party to any such agreement. The form of the statement shall be substantially as provided in Section 85.22 of Title 74 of the Oklahoma Statutes but modified in words to refer to City of Enid.

3.18 Information Disclosure

Any disclosure by an employee of the City of Enid of the terms of a bid, submitted in response to a bid notice issued by the City of Enid, in advance of the time set for opening of all bids so submitted, shall be unlawful. It shall also be unlawful for any person to solicit, possess or receive information, which is to be contained in a bid notice for the City of Enid for use in preparing a bid, in advance of the date on which said bid notice is to be made equally and uniformly known to all prospective bidders and the public. It shall further be unlawful for any employee of the City of Enid to withhold or impede the distribution of such information after notice of the bid has been given, unless the solicitation of the bids has been withdrawn or the particular information in question has been deleted or replaced through alteration of the bid notice, and said withdrawal or alteration has been made equally and uniformly known. The City's engineering estimate of the actual cost of the project shall remain confidential until the bids have been opened. Financial information including, but not limited to, audited financial statements required by the City, as part of pre-qualifications shall remain confidential. Violation of this section constitutes a felony and shall render the proceedings void and require solicitation and award of a new contract pursuant to Section 116 of Title 61 of the Oklahoma statutes.

3.19 Award to Other than Lowest Bidder

If an award is made to other than the lowest bidder, the City of Enid shall accompany its action with a public statement setting forth the reason for its action. Such statement shall be placed on file and open to public inspection and be a matter of public record.

3.20 Pre-qualifications of Bidders

In order to determine the responsibility of bidders, the City of Enid may require prospective bidders to pre-qualify as a responsible bidder prior to submitting bids on a public construction contract. Notice of any such prequalification requirement shall be made equally and uniformly known by the City of Enid to all prospective bidders and the public in the same manner as proposals to award public construction contracts as set forth previously.

3.21 Rejection of Bids

By majority action of the Mayor and Board of Commissioners the City of Enid shall have the right to reject any and all bidders again as herein provided if in the opinion of the Mayor and Board of Commissioners of the City of Enid the best interest of the City of Enid would be best served by doing so.

3.22 No Bids Received

If no timely bid is received after bid notices have been published on any proposed public construction contract, which does not exceed \$100,000 in amount, or any construction management trade contracts or subcontracts exceeding \$50,000, the Mayor and Board of Commissioners may direct its employees to negotiate the contract with the prospective contractors. The amount of a contract which may be awarded by the City of Enid pursuant to this section shall not exceed \$100,000 in amount, or any construction management trade contracts or subcontracts exceeding \$50,000, and the work to be performed shall be specified in the initial bidding document. The contract shall be executed within six months after the date initially set for opening of bids. The contract and contract procedure shall conform to all other applicable provisions of this section and the Public Competitive Bidding Act of 1974, 61 Okla. Stat. 101 et seq. and as hereinafter amended.

3.23 Assignment of Contract

No public construction contracts shall be assignable by the successful bidder without written consent of the City of Enid evidenced by resolution. In no event shall such a contract be assigned to a bidder who was declared by the City of Enid not to be a responsible bidder in the consideration of bids received for the particular contract.

3.24 Change Orders or Addendum

- A. Change orders or addendums to public construction contracts of \$1,000,000 or less shall not exceed a fifteen percent accumulative increase in the original contract amount.

B. Change orders or addendums to the public construction contracts over \$1,000,000 shall not exceed the greater of \$150,000 or a ten percent accumulative increase in the original contract amount. Any change orders or accumulative change orders which exceed these limits, shall require a re-advertising for bids on that part of a contract. Change orders in any amount shall be formally approved by the Mayor and Board of Commissioners and the reason therefore recorded in the permanent records. All change orders shall contain a unit price and total for each of the following items:

1. All materials with cost per item;
2. Itemization of all labor with numbers of hours per operation and cost per hour;
3. Itemization of all equipment with the type of equipment, number of each type, cost per hour for each type, number of hours of actual operation for each type;
4. Itemization of insurance costs, bond costs, social security, taxes, workers compensation, employee fringe benefits and overhead costs; and
5. Profit for the contractor.

If the construction contract contains unit pricing and the change order pertains to the unit price, such change order will not be subject to subparagraphs (a) or (b) of this section. When the unit price change does not exceed \$20,000, the unit price change order computation may be based on an acceptable unit price basis in lieu of price itemization as required in the above paragraphs numbered 1, 2, 3, 4 and 5. Alternatives or add items bid with the original bid and contained in the contract as options shall not be construed as change orders under the provisions of this act.

3.25 Supervisor Certification to Accompany Invoices

All statements or invoices submitted to the City of Enid shall contain a sworn certification by the supervising architect or engineer, or other supervisory official if no supervisory architect or engineer is employed for the project, that the work for which payment is claimed has been performed, and that such work conforms to the plans and specifications for the project. No such statement or invoice shall be paid by the City of Enid without such certification. The execution of a sworn certification, as herein provided, shall not constitute defense or in any other

manner, affect any cause of action which the City of Enid might otherwise have against the contractor for non- performance of a public construction contract.

3.26 Inspections

The City of Enid shall make provisions for the inspection of projects prior to acceptance by the City of Enid and shall approve requests for payment only after proper inspection has been made as provided in the plans and specifications for said project.

3.27 Accounting Procedure

The Director of Finance of the City of Enid shall prescribe the accounting procedures to be followed to pay invoices and make payments to contractors on public construction contracts. The Director of Finance is to include any procedures necessary to provide accountability for state funds or funds furnished by an agency of the United States Government.

3.28 Construction on Force Account Basis

Nothing in these provisions shall be construed to prevent the City of Enid from doing public construction work on a force account basis.

3.29 Insurance against Fire and the Elements

The City of Enid is authorized to require the contractor to carry insurance against damage from fire and the elements during the process of construction to the extent of protecting the City of Enid's equity in said property until accepted by the City of Enid.

3.30 Emergencies

These provisions, with reference to notice and bids, shall not apply whenever the Commission declares by a 2/3 vote of all the members of the Commission that an emergency exists. The Commission authorizes the City Manager the authority to declare an emergency situation in which event these provisions with reference to notice and bid shall not apply, but such authority shall not extend to any contract exceeding \$150,000 in amount. Whenever the City Manager shall declare such an emergency, he shall notify the Commission, the City Clerk, and the State Construction Administrator of the Department of Central Services of such action within ten days. Such notification shall contain a statement of the reasons for this action and shall be recorded in the official minutes of the City of Enid as a concurrence of emergency purchase. The reason for declaring an emergency and not complying with these provisions shall be entered into the official minutes of

the Commission of the City of Enid. "Emergency", as used in this section, shall be limited to a condition resulting from a sudden unexpected happening or unforeseen occurrence and condition and situation wherein the public health or safety is endangered.

SECTION 4: REQUISITION

4.1 Purpose

The requisition form initiates the purchasing process. It shall be used by the department to:

- A. Inform the Finance Division of anticipated expenditures; and
- B. Request purchase of the items; and
- C. Provide proper authorization for the requests.

A requisition shall be initiated with sufficient time to allow adequate time for review by the Finance Division. The rate of consumption of the items shall be carefully considered in determining the quantity to be requested; if the item is of a recurrent nature, it may be considered as an inventory item where it shall be inventoried and the minimum quantity will be set and maintained.

All purchases from new vendors must have a valid W9 on file with accounts payable. Department heads seeking to purchase from a new vendor are responsible for obtaining the W9. Check with accounts payable for assistance with this requirement.

4.2 Instructions for Preparing Requisitions

Blank requisitions will be obtained from the Finance Division or the Warehouse. Requisitions will be provided in multi-part forms. Each part is colored differently to assist in distribution. The white copy of the requisition is retained by the Finance Division. The yellow and pink copies of the requisition are returned to the user department. The user department will send the pink copy of the requisition with the invoice to the Finance Division to be processed for payment. The user department should retain the yellow copy of the requisition for their records. The white copy of the requisition will be the file copy for the Finance Division. The following information must appear on the requisition:

- A. Date requisition is prepared.
- B. Requesting department.
- C. Description - identify with a complete description as to size, style, name, color, etc. in order to minimize follow up information by Finance. Avoid using a description that eliminates competitive bidding. "Equal To" may be specified in order to suggest a standard of quality.

- D. Estimated or actual cost - from previous purchases.
- E. Account Number - account number to be charged. Items should be charged to the appropriate account number and description, not where budget monies exist.
- F. Remarks - denote purpose, project number, job order, vehicle number, etc. (i.e., windshield to be installed on vehicle number 14).
- G. Department head signature or designee signature.
- H. Authorization and date of approval by Board of Commissioners if required.

4.3 Finance Division - the following will be checked:

- A. Purchase order number;
- B. Budget verification;
- C. Vendor number;
- D. Valid account number;
- E. Reasonableness;
- F. Authority; and
- G. Funds availability.

4.4 Distribution of Requisitions

- A. User department completes requisition.
- B. User department detaches yellow copy to retain in department for filing purposes.
- C. User department forwards the white and pink copies to the Finance Division.
- D. Following verification of the above information a purchase order will be issued authorizing the acquisition of the item(s) requested. For items greater than \$5,000, a purchase order must be obtained in advance of ordering the goods or services. The pink copy of the purchase order

requisition shall be sent to the user department with a copy of the purchase order. The department head shall approve the invoice upon receipt of the goods and services and forward to accounts payable for payment with the approved invoice, pink copy of the requisition, and packing list or bill of lading if those documents exist.

- E. The white copy of the requisition will be held by the Finance Division pending receipt of the invoice and the goods or services.
- F. Concerns as to the quality of procured items or services must first be conveyed by the user department to the entity making the acquisition (Warehouse, Finance or designated department). Should the parties be unable to agree, the user department will submit a typewritten request to the Director of Finance listing the item(s) or services concerned and the reasons for the disagreement. The Director of Finance will investigate the situation, make a determination and respond to the department head.
- G. Requisitions for all contracts specifically awarded by the Mayor and Board of Commissioners will be issued by the City Clerk following commission award. These requisitions will be forwarded to the Director of Finance for final review.

SECTION 5: PURCHASE ORDERS

5.1 Purpose

The executed purchase order is the City's order authorizing the vendor to deliver supplies or contractual services as specified. Upon acceptance and/or acknowledgement of the purchase order by the vendor, it constitutes a valid contract. All purchases of \$5,000 or more require a purchase order before the purchase shall be made.

5.2 Instructions for Preparing Purchase Orders

Purchase orders are computer numbered. Purchase orders must be signed by the Director of Finance and certified by the City Clerk before any purchase shall be made, except purchases less than \$5,000. A purchase order shall be prepared giving the following information:

- A. Vendor name and address;
- B. Vendor number;
- C. Date;
- D. Item description;
- E. Quantity ordered;
- F. Total cost (actual or estimated)
- G. Director of Finance signature;
- H. City Clerk certification of funds availability;
- I. Purchase order number.

5.3 Distribution of Purchase Orders

The Finance Division approves the purchase order and forwards it to the City Clerk for certification.

- A. Following receipt of the invoice by the user department, original copies of the purchase order and invoice will be sent to accounts payable for payment.

- B. The Finance Division will retain a copy of the requisition and purchase order for filing purposes.

5.4 Receipt of the Invoice

- A. Vendors for items ordered by the Warehouse, Finance or designated department are directed to send all invoices directly to the Warehouse, Finance or designated department, except invoices for public construction or maintenance of public property contracts which will be sent to the Director of Engineering or specialty items, which should be directed to the user department itself.
- B. Invoices shall state the vendor's name and address, unit and total purchase price of each item, total price of all items purchased and date of purchase, and start and end date of work performed.
- C. The Finance Division will receive the invoices from the user departments along with freight tickets, packing lists, or bills of lading.
- D. Invoices will be signed and dated by the department head prior to submission to accounts payable for payment.
- E. The user departments are responsible for the accuracy of the invoices. The Director of Finance or designee shall review all invoices and send to the City Clerk for certification of funds.
- F. From the approved invoices a claims list shall be submitted to the Commission for their approval at the next applicable Commission meeting.

5.5 Blanket Purchase Orders

Blanket purchase orders are used for repetitive purchases of supplies and contractual services. Rather than issue a purchase order for each purchase, one purchase order is issued for a period of time for a department, depending on quantity and the time span for which the items are needed. Before making any purchases under a blanket purchase order greater than \$100,000, the order shall be submitted to the Commission for approval.

- A. Blanket purchase orders will be issued upon approval of a purchase requisition from a user department.
- B. Blanket purchase orders shall be issued stipulating the types of item(s) covered, the time period, the department, the account number, and aggregate dollar total of all transactions. Total purchases on a single

blanket purchase order may exceed \$5,000 as long as like item totals do not exceed \$5,000.

- C. Blanket purchase orders will be alternated among local suppliers whenever possible in order to give all competitive sources capable of furnishing desired types of items equivalent opportunities.
- D. Items procured under approved blanket purchase orders may be obtained by designated personnel without consulting the Director of Finance.
- E. Only authorized employees shall execute transactions on blanket purchase orders. A list of authorized employees shall be kept by the Director of Finance and maintained for monitoring user department adherence.
- F. An authorized employee may call the vendor over the telephone or make pickup over the counter by signing a counter ticket, bill of lading, etc. at the time of pickup or delivery. A purchase order number must be provided upon request by the vendor.
- G. The vendor will submit monthly statements itemizing all transactions supported by duplicate documents and referencing the purchase order number.

SECTION 6: CONTRACTS

6.1 Purpose

To establish the general structure and content of contracts.

6.2 Procedures

To the extent possible, all procurements of supplies and contractual services will be obtained by purchase order issued by the Finance Division. Except as provided to the contrary herein, only the Commission has the authority to enter into a contract exceeding \$100,000 or more than one year in duration. Any additional terms not covered by the City's formal purchase order will be stated in a contract. All formal contracts will be approved by the City Attorney prior to the City Manager or Commission's approval. Such approval will consist of the City Attorney's signature as to form and legality.

6.3 Terms and Conditions

Generally, the following terms are necessary to all contracts:

- A. Names of contracting parties;
- B. Named individuals;
- C. Compensation and terms of payment;
- D. Responsibility of city;
- E. Termination of contract;
- F. Assignability;
- G. Insurance;
- H. Errors or deficiencies;
- I. Completeness of contract;
- J. Legal requirements;
- K. Acceptance; and,

- L. Responsibility of other party.
- M. The following additional terms are often necessary to the types of products and services:
 - 1. Construction
 - a. Specifications,
 - b. Drawings,
 - c. Warranty,
 - d. Permits,
 - e. Inspections,
 - f. Subcontractors,
 - g. Performance, maintenance and statutory bonds,
 - h. Liquidated damages,
 - i. Patent and copy right indemnification,
 - j. Engineering charges,
 - k. Affidavit of noncollusion,
 - l. Business Relationships Affidavit,
 - m. Energy Discrimination Elimination Act of 2022 Boycott Affidavit,
 - n. Control of work and materials,
 - o. Lien waivers, debt payment affidavits,
 - p. Safety responsibility to public, and
 - q. Proposal from bidder.

2. Lease Agreement
 - a. Lessee and lessor identification,
 - b. Property or equipment descriptions and identification,
 - c. Purchase or option renewal,
 - d. Delivery, maintenance and other special charges,
 - e. Relocation or modification of property and equipment,
 - f. Conditions or restrictions to use, and
 - g. Period of performance.
3. Service, Maintenance or Repairs
 - a. Equipment descriptions and identification,
 - b. Scope of work,
 - c. Period of performance,
 - d. Responsibility of supplier,
 - e. Notice and response to notice.

6.4 Finalization

No contract will be deemed final until signed by all participating parties. Electronic signatures shall be granted the same legal status as an original signature pursuant to Oklahoma state law, O.S. §12A-15-107. Award of a bid only constitutes a resolution that the governing body at that time desires to enter into a contract. Such award is not binding upon the City, unless a written contract is signed by all parties. Once fully executed, all contracts, regardless of dollar amount, shall be given to the City Clerk for proper certification and retention.

SECTION 7: CONTRACTING FOR PROFESSIONAL SERVICES

7.1 Purpose

These guidelines are established in order to provide assistance to City officials selecting and contracting for professional services, which are not unique in nature and should be subject to competition. Legal services are considered unique and the bidding process will not be utilized although the costs of services should be outlined in the contract. The primary purpose is to select persons who have the necessary training and experience to provide professional services. Although cost is important, professional services will not be purchased on the basis of lowest cost. All professional services where the estimated cost will exceed \$100,000 shall be purchased by formal written contract from the best qualified and responsible firm after due notice inviting proposals, except those services or situations specifically exempted by the Board of Commissioners. The Board of Commissioners approve all professional service contracts greater than \$100,000. Professional service contracts \$100,000 or less shall require a purchase requisition with supporting documentation and may be purchased without approval of the Board of Commissioners. All purchases exceeding \$5,000 or more shall have a purchase order issued before ordering the goods or services.

7.2 Professional Services

Professional services include, but are not limited to, the following disciplines:

- A. Appraisal services;
- B. Architectural services;
- C. Consulting services;
- D. Information technology consulting and programming services;
- E. Engineering services;
- F. Financial, accounting and auditing services;
- G. Health insurance services;
- H. Photographic, art or marketing services; and
- I. Testing and inspection services.

7.3 Request for Proposals

The City will solicit proposals. Specifications for professional services to be procured should include:

- A. Instructions to the prospective vendors specifying when, to whom, and where proposals should be sent;
- B. A complete technical description of the problem or work task;
- C. An objective or statement of what is expected to be accomplished;
- D. Scope of work or task and the extent to which the City's staff will be available to the contractor;
- E. Firm or estimated time schedule, including dates for commencement of performance, for submission of progress reports, and for completion of task;
- F. Selection criteria;
- G. Standard contract terms and conditions; and
- H. Understanding for compensation for additional work authorized.

7.4 Selection Criteria

The following are suggested criteria to be utilized when reviewing a proposal:

- A. Experience on similar projects including references of former clients, particularly municipal clients;
- B. Qualifications of person(s) proposed to work on the project (require professional resumes);
- C. Ability to meet work schedule;
- D. Completeness of project approach;
- E. Geographic location;
- F. Samples of work representing product quality;

- G. Additional services and skills available;
- H. Work space requirements and/or City staff support; and
- I. Cost.

Interviews, for the purposes of selecting consultants, may be conducted by committees composed of city staff and/or members of the Board of Commissioners.

7.5 Contract Award

Weight should be assigned to each criterion based on relative importance of the particular qualification, and may be available to the vendors at the City's discretion. After ascertaining the scope, type of work each prospective vendor proposes to provide, the City shall award the contract to the person or firm who has the lowest responsible qualified proposal. In determining which offer is the most advantageous, the City will take into account the following in order of importance:

- A. The professional competence;
- B. The technical merits; and
- C. The cost of services.

7.6 Contract Terms and Conditions

The following general contract terms should be addressed within a professional service contract:

- A. Names of contracting parties;
- B. Named individuals;
- C. Scope of work;
- D. Work schedule;
- E. Compensation and terms of payment (including compensation for additional services);
- F. Responsibilities of the City;
- G. Termination of contract;

- H. Assignability;
- I. Confidentiality;
- J. Insurance; and
- K. Errors or deficiencies.

7.7 Negotiation

Once professional service proposals have been received and opened by the city, the city has the right to negotiate with any and all vendors, providing amendments or additions to their proposals as may be deemed in the City's best interest.

7.8 Compliance with Oklahoma State Architectural Act

This act imposes requirements on the construction, remodeling, landscaping, interior design, or repairing of municipal buildings, with a construction value over \$158,000. The State Architectural Act requires a licensed architect to engage in the planning, designing, and preparation of drawings and specifications for the alteration or construction of said buildings, unless the planned addition or alteration does not affect the primary structural, mechanical, or electrical systems, life safety systems or exit passageways. See 59 Okla. Stat. §46.21b.

SECTION 8: INTERGOVERNMENTAL PURCHASING

8.1 Purpose

The purpose of cooperative purchasing is to obtain lower prices from volume buying and to create a demand large enough to encourage the manufacture of new or modified products, commodities and equipment at the lowest available price.

8.2 Definition

Intergovernmental purchasing is an agreement under which the City, along with other governmental entities, buy under the same contract or agreement.

8.3 Procedures

- A. The City may participate in, sponsor, conduct, or administer a cooperative purchasing agreement for the procurement of any equipment, supplies, services, or construction with one or more governmental entities. Such cooperative purchasing may include, but is not limited to, joint or multi-party contracts between local, State or Federal governments.
- B. Upon awarding a contract, each governmental entity will be responsible for processing its purchase orders; receiving, inspecting, storing, and verifying invoices; and payment of its bills.
- C. The department head may place on file with other governmental entities engaged in surplus property disposition a complete listing of City requested commodity and equipment needs. The intent in circulating this listing shall be to investigate all surplus property channels for potential property acquisition. Field visits, when deemed necessary, shall be made by user departments subject to the discretion and authorization of the Director of Finance.
- D. See approved list of intergovernmental purchasing cooperatives on file in the office of the City Clerk.

SECTION 9: ACCOUNTS PAYABLE/CITY CLERK

9.1 Purpose

The function of Accounts Payable is to pay vendor invoices and maintain accurate financial records. This involves checking account numbers for accuracy; comparing invoices with the purchase order for correct vendor number, description and amount; checking for adequate unencumbered budgeted funds and unencumbered cash balances; and verifying that all invoices have been approved by a department head or designee indicating that the goods or services have been received and that the invoice is accurate.

9.2 Payment of Vendor Invoices

After the order or service has been completed, the invoice is signed and matched to the original requisition and purchase order. The purchase order and invoice copies are then input. Purchase orders are verified for accuracy and then input for payment processing. Accounts payable retains a copy of all documents for filing purposes. Applicable affidavits must be included. Valid W9's are required for each vendor.

9.3 City Manager or designee authorized to approve invoices

The City Manager or his designee is hereby authorized to approve payments of invoices without prior Commission approval, including but not limited to those times necessary to avoid late payment penalties, to settle property damage and personal injury or worker's compensation claims, at the request of the City Attorney's office, with a \$100,000 maximum on the claims, provide for payment of C.O.D.'s, emergency purchases to take advantage of discounts, to attend and bid at private or public auctions, or pursuant to any provision in any contract which has heretofore been approved by the Commission. Except for emergency purchases no payments made pursuant to this section shall exceed the expenditure classification of the respective department as approved in the current budget. Such payments shall be placed on the next regularly scheduled Commission meeting.

9.4 Schedule of Claims

Upon establishing that all information and invoices are correct, the claims list shall be made. Upon approval of the list by the Board of Commissioners at the next regularly scheduled meeting, accounts payable will then issue payment.

9.5 Reissue of Payments

Accounts Payable is hereby authorized to issue a second or duplicate check, provided the original has been issued and subsequently lost or destroyed. No second or duplicate check shall be issued unless the Director of Finance has approved a stop-payment order or other action as required by law. Normally sixty days must elapse from the original issue date before a second or duplicate check will be approved. In the case of a check issued to a City of Enid employee, thirty days must elapse from the original issue date before a second or duplicate check will be approved.

SECTION 10: STANDARDIZATION AND SPECIFICATIONS

10.1 Purpose

It is essential that items be standardized and purchased in accordance with carefully drawn specifications.

A. Use of Standardization

Standardization takes advantage of lower prices by buying in bulk. It also lowers the administrative cost of purchasing by reducing the total number of purchases made. Standardization consists of consolidating similar requirements into a single specification whenever possible, and shall be the responsibility of the department head or designee.

B. Use of Specifications

Specifications are a clear and complete description of the essential requirements that items should meet. Well-written specifications ensure that maximum value is obtained for the public funds spent; and, all qualified vendors, large and/or small, are able to compete on an equal basis.

10.2 Types of Specifications

City staff will usually prepare their own specifications; although professional assistance may be necessary for items of a highly specialized or technical nature. Specifications must be clear and accurate, updated regularly to reflect technological or market changes, and should, avoid restrictive or unfair details that preclude or reduce competition. Most specifications shall have the characteristics of one or more of the following types:

A. Desirable

1. Open Specification - A description of all physical and functional features, have been developed and approved in accordance with the procedures outlined in Section 11.3. It may incorporate words or phrases from widely accepted industrial or governmental specifications.
2. Design Specification – Describes in detail precise configuration measurement, tolerance, material, standard or a method of testing or inspection.

3. Performance Specification — Describes a result of capability to be achieved by an item such as speed, output maintainability or reliability.

B. Less Desirable

1. Sample Specification - Requires match of sample submitted to vendors; sometimes entails substantial inspection and testing to determine actual match.
2. Equal Product Specification - Uses brand name or trade name as a description term or definition as a requirement; with a phrase "or equal." Opens way to controversy as to what is "equal."

C. Undesirable

1. Single Product Specification - Designates only one manufacturer brand, trade name, or catalog number, which denies competition. Sometimes, this cannot be avoided where highly technical or specialized products are required.
2. Multi-product Specification - Names two or more specific products. Can unfairly limit competition.

10.3 Specification Development and Approval

A. Research

1. User Department — Shall determine its needs; will research available and alternative products by means of manufacturer product brochures and contacts with salespersons, or determine if the product or service is available through alternate means, such as Oklahoma state contract or approved intergovernmental purchasing cooperative agreement; prepare and compile a detailed description that can be incorporated into a specification format.

B. Approval Procedure

1. Initiating Specification Development - User department prepares specifications, except for rolling stock purchases that will be prepared by the Fleet Management Supervisor, or capital projects which will be prepared by the Engineering Department.

2. Specification Development - User departments will be responsible for the completeness and accuracy of their specifications. Such specifications, and a list of vendors will be submitted to the City Clerk no less than 45 days in advance from the anticipated bid opening. The City Clerk will attach the solicitation for bid and affidavits to the specifications and mail bid documents to the vendors.
3. Approval of Specifications - All specifications and revisions to specifications shall be approved and signed by the responsible department head with a copy being given to the City Clerk who will then mail to the vendors.
4. Specification File - The user department shall prepare and maintain a file of all documents related to the development of every specification and to any revision. The City Clerk shall prepare and maintain a master file of all specifications and any revisions.

C. Process

The following steps outline the process to be used:

1. User department determines requirements;
2. User department prepares specification;
3. City Clerk adds applicable forms;
4. City Clerk mails bid information to prospective vendors and publishes public notice;
5. Pre-bid conference and/or inquiries with vendors regarding specifications are held if necessary;
6. Addendums to specifications are approved by the user department and issued by the City Clerk;
7. Bid opening is held;
8. City Clerk tabulates bids;
9. User department prepares the canvass of bids and applicable agenda item; and

10. City Clerk prepares requisition after Mayor and Board of commissioner approval.

10.4 Specifications Outline

Specifications must be clear, detailed, accurate, well organized and consistent in format. Specifications constitute a reflection of the City and its staff and importance shall be placed on the specifications. Instructions to Bidders and General Conditions shall be a part of every specification, but may be modified as necessary.

SECTION 11: PETTY CASH

11.1 Purpose

The Petty Cash Fund is strictly intended to reimburse City of Enid employees for business expenses under \$300 incurred in the course of performing their job duties, provided the department head has approved the expense and a City Purchasing Card is not able to be used.

11.2 Authority and Responsibilities

- A. Creation - Petty Cash Fund in the maximum amount of \$7,000 is created.
- B. Director of Finance — is designated as the person to maintain the petty cash fund. The Director of Finance's responsibilities or his designee are defined as follows:
 - 1. To provide adequate security and storage of cash and receipts;
 - 2. To allow only authorized expenditures;
 - 3. To take only itemized receipts for each expenditure; and
 - 4. To request replenishment by payment from the appropriate funds as necessary but no less than monthly.
- C. Delegation of Responsibilities — The Director of Finance may assign portions of the petty cash fund to user departments under such terms and conditions as may be necessitated.

11.3 Instructions for Use

Petty Cash shall be used consistent with the regulations listed below.

- A. Each expenditure shall not exceed \$300, without prior approval of the Director of Finance or their designee.
- B. No personal checks shall be cashed from any location in the City of Enid.
- C. Oklahoma sales tax will not be reimbursed.
- D. The requesting department must first complete a Petty Cash Request Form. The department head must sign the Petty Cash Request Form and each

receipt. Upon completion of the form, it should then be delivered to the City Clerk to receive reimbursement within 30 days of the purchase.

- E. If an employee requires cash in advance of making a purchase or for travel, a Petty Cash Request Form must be completed, signed by the department head and presented to the City Clerk. Advance requests will be limited to \$300. Upon completion of the purchase or travel, the employee shall obtain the department head's signature on all receipts and return them to the City Clerk within one week, along with all unused cash.
- F. The City Clerk will file for all claims to reimburse the Petty Cash Fund. Failure to return receipts and complete the Petty Cash Request Form will result in future denials of petty cash usage.
- G. Periodic cash counts and audits shall be made by the Director of Finance or their designee.

11.4 Replenishment

The Petty Cash fund shall be replenished monthly. The City Clerk shall file to reimburse all petty cash claims. Invoices, tickets, and supporting documentation shall be attached to the claim and itemized.

SECTION 12: TRAVEL

12.1 Purpose

It is recognized that travel expenses will be incurred as a normal part of conducting City business. It is emphasized that when an individual is absent from the City on approved travel, he or she is representing the City of Enid and personal conduct should reflect this responsibility and obligation. Furthermore, it is the policy of the City that all expenses incurred on City business be reimbursed to the individual accordingly in conformance with this policy. Personal expenses incurred on City business remain the responsibility of the individual.

12.2 Authority and Responsibility

- A. An employee desiring to travel on City business shall file a travel request form with his or her immediate supervisor for all travel advance requests. The travel request form shall include the purpose of the travel, an estimate of all anticipated travel expenses, plus signed authorization by the immediate supervisor. This form need not be completed unless the employee is requesting a travel advance or requesting to use a City travel Purchasing Card. Usage of a City of Enid Purchasing Card is the preferred method of payment of travel expenses.
- B. For approved travel, travel expenses may include such items as lodging, parking fees, commercial transportation, tips and other justifiable expenses that pertain directly to City business. Oklahoma sales tax is not an approved expense. All items shall be reimbursed at actual cost. Meals will be reimbursed at the actual cost not to exceed \$60 per day. All requests for reimbursable travel shall be submitted to the employee's department head for approval or rejection with original detailed receipts using the travel expense report
- C. A travel expense report shall be filled out within 30 days of the completion of the approved travel.
- D. Travel expenses for the spouse or other personal guests of an employee are not reimbursable by the City. Travel expense reports should be prorated or the expenses allocable to these guests should be excluded. This rule does not apply to the City Manager, City Attorney and the Mayor and Board of Commissioners for whom one authorized guest reimbursement is authorized for activities where it has been deemed beneficial to attend a City related function.

- E. Employee travel which is subject to federal and/or state regulation and/or bargaining agreements shall be governed by those separate regulations. In the case of conflict, the more stringent provisions shall apply.
- F. For travel reimbursement, the following guidelines shall be followed:
1. Cash Purchases: Only originals of receipts are acceptable. The receipt must state the date, the amount of purchase, an item-by-item listing and the name of the vendor. No affidavits in lieu of receipts will be allowed. In the event of a lost receipt, a duplicate receipt must be obtained for reimbursement purposes. Receipts are required for meals, lodging, automobile rental, taxicabs, airfares, and parking fees.
 2. Credit Purchases: Only a detailed copy of the receipt is acceptable. No amounts that have been written on the receipt that are not part of the original transaction will be accepted. Credit card statements will not be accepted. Receipts are required for meals, lodging, automobile rental, taxicabs, airfares, and parking fees.
 3. Mileage Allowance: Mileage allowance for authorized employees on City business or Commission trips involving the use of personal vehicles shall be reimbursed at the current Internal Revenue Service rate. Mileage will be calculated from your work location to the business event as calculated by an online mapping program.
 4. Leased or Rented Automobiles: Leased or rented automobiles to be used while in attendance at a conference shall be reimbursed, when evidenced by receipt, subject to the approval of the City Manager. Such approval should be granted when it is demonstrated that other means of transportation to and from lodging, the conference location or the airport etc. would be more expensive or impractical. Rental car insurance is not reimbursable.
 5. Cab Fare Reimbursement: Cab fares and other forms of commercial transportation shall be reimbursed in the amount evidenced on the fare receipt.
 6. Air Transportation Reimbursement: Airline tickets for air transportation to and from the city in which the conference or meeting is held shall be reimbursed, when evidenced by receipt, to the traveler unless such arrangements are made through, and billed to, the City of Enid. Every attempt shall be made by the attendees to secure the least costly airfare tickets as early as possible.

7. No reimbursement shall be granted by the Director of Finance unless the Travel Expense Report is completed in full and consistent with the policies for reimbursement.
8. Non-reimbursable expenses include but are not limited to Oklahoma sales tax, theater tickets, sporting events, and other entertainment expenses, unless included in the conference program.
9. For approved travel requests, expenses will be considered for reimbursement for the day preceding to the day following the scheduled conference or event.

12.3 Purchasing Cards

- A. City purchasing cards may be used for any legitimate travel expense. A purchasing card report must be completed with all invoices and documentation attached each week.
- B. Employees may use their own credit cards if a City Purchasing Card is not available to them. Original receipts will be required for reimbursement. All purchases must be approved by department head. Oklahoma sales tax will not be reimbursed.

12.4 Mayor, Board of Commissioners, City Manager, City Attorney, and Employee Travel

- A. General Rules: The Mayor, City Commissioners, the City Manager, City Attorney and their approved guest and all employees traveling on official business on behalf of the City, are expected to exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business. Other than mileage, travel expenses including meals, lodging, parking fees, commercial transportation, and other justifiable expenses will be reimbursed at actual cost as reflected on receipts.
- B. Advance of Funds: The Mayor, City Commissioners, the City Manager, City Attorney and their authorized guest and all employees may request a travel advance from Finance for approved travel. The travel advance may include mileage allowance or subsistence expenses, any sums as may be deemed advisable considering the character and probable duration of the travel, meal expenses, lodging, and transportation to be paid for by the traveler. Advances to travelers shall be chargeable to the budget appropriation available for the traveler's expenses. For purposes of calculating duration of travel, reimbursable expenses will be allowed for the dates of the conference as reflected on the announcement or notice of the conference

and one travel day prior to the conference commencement date and one travel day following the last date of the conference.

C. Transportation Reimbursement:

1. Mileage reimbursement: Travel by privately owned vehicle shall be reimbursed at the specified rate found in S12.2(f) (3).
2. Leased or rented automobiles: Leased or rented automobiles to be used while in attendance at a conference shall be reimbursed, when evidenced by receipt, subject to the approval of the City Manager. Such approval should be granted when it is demonstrated that other means of transportation to and from lodging, the conference location or the airport etc. would be more expensive or impractical. Rental car insurance is not reimbursable.
3. Cab fare reimbursement: Cab fares and other forms of commercial transportation shall be reimbursed in the amount evidenced on the fare receipt.
4. Air transportation reimbursement: Airline tickets for air transportation to and from the city in which the conference or meeting is held shall be reimbursed, when evidenced by receipt, to the traveler unless such arrangements are made through, and billed to, the City of Enid. Every attempt shall be made by the attendees to secure the least costly airfare tickets as early as possible.

D. Lodging Reimbursement: Actual lodging expense as reflected by receipt, at hotels/motels designated for the conference participants by the sponsor as evidenced by the announcement or notice of the meeting, workshop, or conference shall be reimbursed. If such designated hotel(s) or motel(s) are full, a comparable rate (no more than 15% higher) hotel or motel shall be obtained.

E. Meal Expenses Reimbursement: A maximum meal rate of \$60 per day is authorized for travel. Rates for high cost areas must be approved by the City Manager prior to travel. Meals will be reimbursed up to the maximum meal rate when evidenced by a detailed receipt. Meals exceeding the maximum meal rate will not be paid. Any meal purchase made with a City purchasing card will require an original receipt to attach to the weekly purchasing card report. Receipts shall reflect the names of individuals for whom the food and beverages were bought, the name of the restaurant, and the date and amount of expenditure. For receipts that include more than one person for whom this City travel policy applies, the individual

paying for the meals should include this expense with the number of individuals involved.

F. Other Reimbursable Expenses:

1. Registration fee as reflected by receipt paid for attending workshops, conferences, etc. shall be reimbursed, unless such arrangements are made through, and billed directly to the City of Enid.
2. Parking and turnpike fees shall be reimbursable while traveling on official City business. Receipts are required.
3. Other eligible reimbursable expenses may include
 - a. materials, reports, manuals, etc. offered by the sponsors of the conference or workshop and
 - b. business office services offered by the hotel for city business.

G. Reimbursement Submittal and Approval - All requests for reimbursement with required support documentation shall be submitted to the approving authority within 30 days of the date of return from travel. All travel expenses submitted by the Mayor, and City Commissioner, City Judges or the City Attorney are subject to approval of the City Manager or his designee prior to reimbursement. All travel expenses of the City Manager are subject to approval of the Mayor and Director of Finance prior to reimbursement.

SECTION 13: DISPOSAL OF PROPERTY

13.1 Scope

The applicable Director of Public Works or Public Utilities, and the Director of Finance are jointly responsible for directing the effective disposal of surplus and obsolete property. Surplus and obsolete property may be transferred, sold, offered as a trade-in, or destroyed.

13.2 Procedures

The applicable Director of Public Works or Public Utilities, and the Director of Finance shall periodically survey the departments to determine if surplus and/or obsolete property is on hand for disposal. Each department shall prepare a list of all surplus and scrap property on hand and submit it to the applicable Director of Public Works or Public Utilities, and the Director of Finance when needed. In the event that a need for immediate disposal is required, a department may notify and request appropriate action by written memorandum. Depending on the nature of the item, one of the following disposal methods will be used:

- A. Transfer: Once the periodic list of surplus and obsolete property has been developed, it will be circulated among all departments. The applicable Director of Public Works or Public Utilities, and the Director of Finance may approve the transfer of surplus items, or if a transfer is not feasible, or there is no response to an item appearing on the availability list, then they may opt to trade-in or sell the equipment at a City auction. All transfers must be reviewed by Finance to determine if the fixed asset inventory must be updated.
- B. Trade-In: If a trade-in is available on a particular piece of equipment or item bid, the invitation for bid shall call for bid prices with and without trade-in, and indicate that award may be made on either basis. The award shall be made based upon the best interest of the City and its public purpose. All trade-ins must be reviewed by Finance to determine if the fixed asset inventory must be updated.
- C. Sale: All sales of surplus, obsolete, or abandoned property shall be conducted by the Director of Public Works and the Director of Finance using one of the following methods.
 1. Auction: An auction is one method of selling certain types of surplus and/or obsolete property. Both online or traditional auction methods are approved methods of surplus property disposal. Auctions may be advertised to the public in a newspaper of general circulation, the

City of Enid website, auction company website, and in some cases notices are circulated among interested parties and organizations in an appropriate auction bulletin. The City may hire an auctioneer or utilize staff personnel. For all auctions, the following procedure shall be observed:

- a. List all items for sale. Provide auction company with a complete list of items to be posted for sale via the auction website. All items are sold as-is where-is, with no warranties or guarantees, either expresses or implied.
 - b. Register and assign a registration number to all participants in the auction. Online buyers must register with the auction website and a unique bidder number will be assigned.
 - c. Interested parties will be allowed time to inspect the items before the auction. Property for sale shall be placed in proper condition by user departments in order to obtain maximum return on the property to be sold. In the event that an item is damaged or being sold as inoperable, full disclosure must be made to auction site so they may accurately inform perspective buyers. Online items will be available for inspection by appointment only. Contact information shall be listed on the auction website.
 - d. As items are sold, a list shall be compiled with the item description, the sale price, and the buyer number of the winning bidder.
 - e. Items will be sold to the highest bidder. Only cash, certified checks, money orders, bank checks, MasterCard, Visa, or valid government purchase orders will be accepted.
 - f. In the case of online auctions, the selling auction house shall be in charge of collecting payments from buyers directly and shall remit payment to the City in one lump sum after all monies have been collected.
2. Sealed Bids: A public notice of the sale shall be made in the newspaper(s). Prospective bidders may be mailed a bid with a list and description of the items up for sale and the bid opening date.
 3. Sale of Salvage Goods: For certain items such as scrap iron and obsolete computers, the City may sell said items to a second-hand

dealer, scrap dealer, recycler, or junk dealer. The City will get three quotes and sell the scrap to the highest bidder.

- D. Destroy: Surplus property, which cannot be transferred, traded-in, or sold, may be destroyed in an appropriate manner with the approval of the Director of Public Works and the Director of Finance.

13.3 Sale of Products-Proceeds

All proceeds resulting from the sale of surplus or obsolete equipment shall be placed in the general fund, except for proceeds from enterprise activities that shall be placed in their respective enterprise funds.

13.4 Terms and Conditions of Sale

Depending on the nature of the items and the method of sale selected, the following terms and conditions shall be used:

- A. Inspection: Prospective buyers will be allowed time prior to the sale to inspect items.
- B. Oklahoma State Sales Tax: All sales are subject to the prevailing state and local sales tax regulations.
- C. No Warranty Given: No express warranty or guarantee of any kind is given by the City of Enid as to the description, quality, condition, serial number or any other aspect of any item put on sale and no claim for allowance on such ground will be considered. The City of Enid disclaims all implied warranties, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. No City official, employee or agent of the City has the authority to make or give any warranty of any kind whatsoever. All items are offered for sale "AS IS", "WHERE AT", and "WITHOUT RECOURSE."
- D. Reservation: The City of Enid reserves the right to accept or reject any or all bids if, in the opinion of the Director of Public Works and the Director of Finance, such action would be in the best interest of the City.
- E. Removal: The successful bidder will be required to furnish all labor and equipment at their own risk and expense necessary for the removal of any items bid upon within a period of five (5) days after notification of acceptance of bid by the City.

- a. Any item not called for or left behind for a period of more than five days after the date of acceptance of bid will be considered as abandoned, and the City shall have the right to dispose of same in any manner whatsoever.
- F. Minimum Price: In some instances, minimum prices or reserves will be established. In such cases, items may not be sold below that minimum price or reserve.

13.5 Abandoned Property - City

- A. Definition: Personal property held by the City and unclaimed for a period of three years will be considered abandoned property.
- B. Procedure: The City Clerk will file a report with the Oklahoma Tax Board of Commissioners each year by November 1. The report shall include the name and address of each person appearing to be the owner of abandoned property valued at \$50 or greater. It shall also include the nature, identifying number or description of the property and the amount appearing due. Additionally, the report will include the date when the property became returnable, payable or demandable and the date of the last transaction with the owner. Notice and publication requirements are set out in Section 662 of Title 60 of the Oklahoma Statutes.
- C. Delivery: Upon completion of the required report and the performance of the notice and publication requirements, the property will be delivered to the Oklahoma Tax Board of Commissioners. The City is then relieved of all responsibility.
- D. Values Less Than \$50: If the aggregate value of unclaimed property is less than \$50, it need not be reported.

13.6 Abandoned or Confiscated Property - Police

- A. Authorization: The Chief of Police or designee is authorized to dispose of personal property, money or legal tender as provided in this section or ordinances of the municipality, that has come into his possession if:
 - 1. The owner of the personal property or money or legal tender is unknown or has not claimed the property after any required notice; and
 - 2. The property or money or legal tender has been in the custody of the police chief for at least 90 days; and

3. The property or money or legal tender or any part thereof is no longer needed to be held as evidence or for any other purpose in connection with any litigation. In the event the property, money or legal tender was seized by the police department in connection with a criminal investigation or arrest, this determination shall be made by the court which has jurisdiction over the criminal offense, if an information or indictment is pending, pursuant to Section 1321 of Title 22 of the Oklahoma Statutes, or by a prosecuting authority if charges have been disposed of or have been declined.
- B. The municipality shall file an application in Garfield County District Court requesting the authority of said court to conduct a sale of such personal property, which has a fair market value. The application shall contain a list describing such property, including any identifying numbers and marks; the date said property came into his possession, and the name of the owner and the person in last possession, if different, and the address of the person, if known. The court shall set the application for hearing not less than 15 days after filing of said application.
 - C. In any instance where said property has an actual or apparent value of more than \$250, at least 11 days prior to the date of said hearing, written notice of said hearing shall be sent by certified first-class mail, postage prepaid, to each owner and person last in possession of the property at the address as listed in the application. If the owner of any property with an actual or apparent value exceeding \$500 is unable to be served written notice by first-class mail, notice shall be provided by one publication at least three days prior to the hearing in a newspaper of general circulation in Garfield County where the property is in custody. The notice shall contain the place and date of the hearing and a description of the property, or the location of a list available for review during business hours in which the property is described and any known owner identified. Said notice shall be posted at the assigned place for the posting of municipal notices, and at two other public places in the municipality.
 - D. If no owner appears and establishes ownership to said property at the hearing, the court shall enter an order authorizing the municipality to dispose of the property as follows:
 1. Donate the property having value of less than \$500 to a nonprofit corporation as defined in Title 18 of the Oklahoma Statutes for use by needy families;

2. Sell the personal property for cash to the highest bidder, after at least five days notice of the sale has been published;
 3. Transfer the property to a third-party agent under contract with the municipality by online sale, regardless of whether the sale structure or distribution site is within the State of Oklahoma; or
 4. By any other means as determined appropriate by the court including but not limited to, destruction.
 5. If the means of disposition involve a sale or donation to the third party, the chief of police or designee shall make a return of the donation or sale and the order of the court confirming the donation or sale shall vest title to the property in the recipient or purchaser. After payment of court costs and other expenses, the remainder of money received from the sale of the personal property shall be deposited with the City Clerk.
- E. All money or legal tender which has come into the possession of the municipality pursuant to the circumstances provided for in subsection (a) of this section shall be transferred by the Chief of Police or designee to the City Clerk for deposit. Prior to any such transfer, the municipality shall file an application in the district court requesting the court to enter an order authorizing the Chief of Police or designee to transfer said money for deposit. The application shall describe the money or legal tender, the date the same came into the possession of the police department, and the name of the owner and his address, if known. Upon filing the application which may be joined with an application as described in subsection (b) of this section, a hearing shall be set not less than 15 days from the filing of the application. Notice of said hearing shall be given as provided for in subsection (C) of this section. The notice shall state that upon failure of anyone to appear to prove ownership to said money or legal tender, the court shall order the same to be deposited in the General Fund. The notice may be combined with a notice to sell personal property as provided for in subsection (B) of this section. If no one appears to claim and prove ownership to said money or legal tender at the hearing, the court shall order the same to be transferred to the General Fund as provided in this subsection.
- F. The provisions of this section shall not apply to any dangerous or deadly weapons, narcotic or poisonous drugs, explosives, or any property of any kind or character, the possession of which is prohibited by law. By order of the trial court, any such property filed as an exhibit or held by the City shall

be destroyed or sold or disposed of, pursuant to the conditions prescribed in such order.

1. Notwithstanding any other provision of this section, if authorized by ordinance, the municipality may transfer any currency received into a depository account for the benefit of its known or unknown owners prior to any court order for disposition of the money or legal tender.
- G. Except as provided in this subsection, the provisions of this section shall not apply to any dangerous or deadly weapons, narcotic or poisonous drugs, explosives, or any property of any kind or character, the possession of which is prohibited by law. By order of the trial court, any property filed as an exhibit or held by the municipality as evidence or as contraband shall be destroyed or sold or disposed of, pursuant to the conditions prescribed in the order. To the extent the provisions of this section do not apply, the court shall follow the procedures in Section 1321 of Title 22 of the Oklahoma Statutes. No forfeiture proceeding shall be necessary to authorize the destruction of property that cannot be returned lawfully to its owner.
- H. The municipality is hereby authorized to establish a procedure for the registration of "lost and found" property. The procedure shall give the finder of any property the option of relinquishing any future claim to found property at the time its possession is surrendered to the police or other agent of the municipality, or of retaining possession of the property after registering its description and the finder's identity with the police department or other agent of the municipality. The municipality may require that only property in which the finder relinquishes any future claim to its ownership will be stored in municipal police property rooms.
- I. The municipality may provide by ordinance that a percentage of the money or legal tender deposited in the municipal general fund as provided in subsection D or E of this section may be paid as a finder's fee for services rendered to any person who found the unclaimed personal property or money or legal tender and delivered it to, or registered it with, the chief of police or other agent of the municipality.
- J. The municipality may provide written notice at the time of arrest or detention that certain property is available for return within 90 days, if the property was not seized as evidence. If the property is or appears to be worth less than \$250, no further notice is required prior to obtaining a court order for disposition of the property in accordance with this section. A notice left with a detainee's personal property at the detention facility shall be presumed to have been returned to the detainee at the time of his or

her release and shall satisfy the officer's obligation to deliver a receipt to the detainee in connection with an arrest for a public offense.

SECTION 14: FIXED ASSET ACCOUNTING PROCEDURES

14.1 Purpose

The purposes of the fixed asset system are:

- A. To determine the City's investment in fixed assets;
- B. To track the assets through their useful life;
- C. To account for their disposition at the conclusion of their usefulness; and
- D. To provide a depreciation schedule that will assist the City in annual budgeting for replacement equipment and capital assets.

14.2 Scope

All equipment whether, mobile or stationary, including furniture with an initial purchase price of \$10,000 or greater per unit and buildings and land will be listed in the fixed assets inventory. Capital items costing less than \$10,000 may be inventoried at the discretion of the Director of Finance.

14.3 Responsibility

All purchases of equipment, buildings and land exceeding \$10,000 shall be listed by the City in its fixed assets inventory control system. Each asset will be assigned a unique asset number, usually the last six letters and/or numbers of the serial number will be used. Each vehicle and some equipment (mowers, ATVs, etc.) will be assigned a vehicle number by the Fleet Management Department. A Fixed Asset Accounting Form shall be completed by the Accounting Department for input to the City's fixed asset accounting system. A Fixed Asset Transfer Form will be completed by the Fleet Management Department and submitted to the Accounting Department whenever equipment transfers between departments occur for subsequent input to the City's fixed asset accounting system. Additionally, the department head and/or Fleet Management Department will notify the Accounting Department of any disposal of fixed assets.

14.4 Equipment Transfer

Permanent transfers of equipment between departments must be reported by the Fleet Management Department to the Director of Finance for input into the fixed asset system.

14.5 Equipment Disposition

It is the responsibility of the department controlling the equipment to notify the Finance Division of the equipment's disposition at the time it is disposed of as well as how it was disposed of and any revenue received using the Fixed Asset Disposal-Transfer form.

14.6 Method of Depreciation

All equipment will be depreciated utilizing the straight-line method of depreciation except for some specialized items that will be depreciated in accordance with the directions of the Director of Finance and the City's auditor.

14.7 Useful Life

Buildings, infrastructure, equipment and vehicles are depreciated over the following estimated useful lives:

Asset Class	Years
Buildings	10 – 20
Infrastructure	20 – 30
Equipment	3 – 5
Vehicles	5 – 7

SECTION 15: Purchasing Card

15.1 Purpose

The City of Enid Purchasing Card program is for primarily small dollar/high volume purchases because research reveals purchasing card can assist employees to quickly and easily obtain the goods and services needed to get the job done. Purchasing cards provides a streamline process that help reduce overall processing costs and provide prompt vendor payment.

15.2 Department Head Responsibilities

- A. Assume responsibility for all department cardholder purchases.
- B. Send request for employee purchasing card to Director of Finance and Program Administrator.
- C. Once approved provide needed information to process application.
- D. Make sure all cardholders reports are submitted to the Finance Division weekly.
- E. Authorize all charges by signing receipts and expense reports prior to submitting to the Finance Division.

15.3 Cardholder Responsibilities

- A. Cardholder will attend training prior to card issuance and sign a cardholder agreement.
- B. Cardholder will input data for weekly expense report.
- C. Purchasing Cards will not be used to make personal purchases. Willful intent to use the purchasing card for personal gain or unauthorized use may result in disciplinary actions up to and including termination of employment and prosecution to the extent permitted by law.
- D. Failure to follow the procedure manual may result in either revocation of card privileges or other disciplinary action.
- E. Sharing and/or lending of a card is absolutely prohibited.
- F. Purchasing Cards have pre-set spending limits which may not be exceeded unless approved by the Director of Finance. "Invoice splitting" is strictly

prohibited. Do not ask vendor to run two transactions to get around purchasing limits.

- G. Cardholder will review and initial the receipt to assure that no sales tax was charged. If sales tax was charged, contact vendor to request a credit for the amount of sales tax.
- H. Cardholder will review and reconcile transactions timely, maintain all applicable information, and forward receipts and report on a weekly basis to the Finance Division.
- I. If the purchasing card is lost or stolen, contact the card program administrator immediately.
- J. The purchasing card is property of the City of Enid; therefore, the City of Enid Finance Division may suspend or cancel it at any time for any reason, and will surrender the purchasing card upon request.
- K. The use of the purchasing card or account after notice of its cancellation may be fraudulent and cause the City of Enid to take legal action.

15.4 City Travel/Purchasing Card

- A. Travel card must be requested by supervisor one week prior to travel.
- B. Mandatory training will be provided by Finance and a travel card agreement will be signed.
- C. Upon return, employee will submit travel card and invoices signed by supervisor.
- D. Finance will complete expense report.