

1. CALL TO ORDER, 2. PRAYER & PLEDGE, 3. OPEN MEETING, 4. ROLL CALL

Be it remembered that the Bedford County Commissioners, acting as the County Legislative Body met in a regular session in the Bedford County Courthouse in Shelbyville, TN on Tuesday, April 11, 2017 at 7:00 PM. Chairman Eugene Ray called the meeting to order. Prayer was led by Attorney John T. Bobo. Sheriff Austin Swing opened the meeting. County Clerk Donna Thomas led the Pledge of Allegiance and called the roll.

BOBBY FOX	BOB DAVIS	LINDA YOCKEY
JIMMY PATTERSON	BILL ANDERSON	TONY BARRETT
JULIE SANDERS	DON GALLAGHER	JEFF YOES
CHUCK HEFLIN	PHILIP FARRAR	BILLY KING JR.
MARK THOMAS	ED CASTLEMAN	JOHN BROWN
TONY SMITH	JIMMY WOODSON	

With 17 Commissioners present Chairman Ray called the meeting to order. Commissioner Janice Brothers was absent.

5. APPROVAL OF THE MARCH 14, 2017 COMMISSION MINUTES

Commissioner Thomas made a motion to approve. Second by Commissioner Fox. Passed by voice vote.

6. NOTARY APPROVALS

Commissioner Thomas moved to approve the notary applicants/renewals as submitted by the County Clerk. Second by Commissioner Yockey. Passed by voice vote.

NAME	NEW/RENEW	RECOMMENDED BY
1. Carol Price	Renew	
2. Lynette Scott	Renew	
3. Laurie L. Perry	Renew	
4. Bert C. Trotter	Renew	
5. Nancy P. Edwards	Renew	
6. Judith C. Alexander	Renew	
7. Connie K. Cook	Renew	
8. Dayton Warren	Renew	
9. Tina Prince	Renew	
10. Kathy Prater	Renew	
11. Ashley M. Bussell	Renew	
12. Bobby F. Newell	Renew	
13. Faye M. Reedy	Renew	
14. Cindy Vannatta	Renew	
15. Cindi Lesso	Renew	
16. Kimberly Roberts	Renew	
17. Ronnie W. Wells	New	Heflin/King
18. Timothy R. Chapman	New	Fox/Heflin
19. Amanda Perryman	New	Fox/King

FROM: BEDFORD COUNTY CLERK RE: NOTARY APPLICANTS FOR April 2017
 TO: RULES AND LEGISLATIVE COMMITTEE DATE: 03-14-2017

7. REPORTS OF STANDING COMMITTEES

A. RULES AND LEGISLATIVE COMMITTEE

- 1. The Mayor will visit board appointments for all boards. The 3rd District Ag Board and the 2nd District 911 Board has openings if someone has a recommendation - Item placed on the April 11, 2017 Commission Agenda with a recommendation by the Rules and Legislative Committee.**

7.A.1. AG BOARD AND 911 BOARD OPENINGS (continued)

Mayor Ray is still seeking candidates to serve on these boards and asks if anyone has someone to recommend. Commissioner Woodson made a motion to defer. Second by Commissioner Smith. The motion passed by voice vote.

B. COURTHOUSE AND PROPERTY COMMITTEE

C. LAW ENFORCEMENT COMMITTEE

D. FINANCIAL MANAGEMENT COMMITTEE

1. Revision to Financial Management Policies and Procedures Manual - Item placed on the April 11, 2017 Commission Agenda with a unanimous recommendation by the Finance Committee.

Commissioner Smith made a motion to approve. Second by Commissioner Yoes. Motion passed by roll call vote. 17 Ayes 0 Noes

Proposed Policies (Changes in red):

Chapter 5
PURCHASING POLICY

Section 5.1 General: T.C.A. 5-21-118 through 5-21-129 sets forth the basic responsibilities and procedures for an economical and efficient purchasing system. The primary objectives of centralized purchasing are cost savings through uniform consolidated purchasing practices and verification of funds availability prior to obligation. *No contract, purchase, or obligation of Bedford County funds for supplies, materials, equipment, contracted services, or rentals shall be made without the prior execution of a purchase order except in the narrow definition of an emergency purchase.* The basic principle of an organized purchasing system is to plan the County's needs, develop minimum specifications, and receive bids from the most bidders possible.

Section 5.2 Purchases Less Than \$25,000:

All purchases or sales for all departments of less than \$25,000 may be made by the Director of Finance/County Director of Finance in the open market without advertised or public notice. For purchases less than \$25,000 (see exception below) but more than \$5,000, a minimum of three (3) informal (quotes) bids must be obtained by telephone, soliciting informal quotations, consulting catalogs, routine calls from sales representatives, or other methods, unless an exception is approved by the Director of Finance and department head. Detailed specifications will be prepared for all purchases exceeding \$5,000. Whenever practical, the Director of Finance will obtain written confirmation of bids. Bid will be awarded to the lowest and or best bid. *Requisitions for items estimated to cost more than \$25,000 will not be submitted in order to circumvent the requirement for competitive procurement.* Whenever workload permits, the Finance Department will obtain informal bids for purchases less than \$5,000. The Director of Finance will annually review purchases less than \$25,000 for the feasibility of purchases to be formally bid periodically.

Section 5.3 Purchases exceeding \$25,000: All purchases or sales of more than \$25,000 will require advertised procurement which includes the following essential elements:

- A. Preparation of invitation for bid containing clear specifications.
- B. Solicitation of bidders necessary to assure that full and free competition is consistent with procurement of the required products and services.
- C. Provision of adequate time for submission of bids consistent with size and type of procurement.
- D. Inserting the invitation for three (3) days in a newspaper of County-wide circulation and allowing at least ten (10) days response time prior to the bid closing date.
- E. Public opening of the bids.
- F. Award to the lowest responsible bidder whose bid, conforming to the invitation for bid (IFB), will be most advantageous to the county, price, and other factors considered.
- G. Technical evaluation will be made by the requisitioner as to the acceptability of the bids. The appropriate Department head and/or Board (The Highway Superintendent and Road

Board and the School Superintendent and School Board) shall recommend the bid to the Finance Department. The Director of Finance will make the award based on criteria listed in subparagraph FE above. The Director of Finance or department head may refer any bid to the Financial Management Committee for final award. Any and all bids can be rejected if so stated in IFB.

- H. All fuel, fuel products, and perishable commodities are exempt from public advertisement and competitive bidding when such items are purchased in the open market. A record of all such purchases shall be made by the Director of Finance and will specify the amount paid, the item purchased, and from whom the purchase was made. A report will be made monthly to the Financial Management Committee and/or School Board as appropriate and will include all items of information as required in the record.

- I. Chapter 8 covers the formal bidding process in detail.

Section 5.4a. Purchase from Tennessee State Contract Pricing: As authorized by state law, purchases through state contracts and price agreements meet the legal requirements for formal competitive bidding and will be exempt from limitations provided in these purchasing policies. Departments should utilize state contract items whenever they provide a savings to the County, taking into consideration availability, location of supplier, delivery time, shipping charges, minimum orders, etc. when compared to locally available items.

Section 5.4b. Cooperative Purchasing Agreements: As authorized by state law, the County may participate in, sponsor, conduct or administer a cooperative purchasing agreement for the procurement of any supplies, equipment and services with one or more other local governments within and outside the State of Tennessee, in accordance with an agreement entered into between or among the participants. Departments may utilize cooperative purchase agreements whenever they provide a savings to the County.

Section 5.5 Emergency Purchases: This is a purchase required under *uncontrollable or unforeseeable circumstances where any delay would endanger the health of the residents of Bedford County or cause additional and excessive damage to County property or adversely affect programs in Bedford County government.* If an emergency exists during working hours, the Finance Department will be notified and direction received from the Director of Finance as to the proper steps to be taken. If the emergency occurs when the Finance Department is closed, every effort should be made to obtain at least three (3) bids (oral or written) prior to purchase. The next working day, a Requisition should be delivered to the Finance Department.

Section 5.6 Sole-Source Purchases: Sole-source procurement is any action that limits the Director of Finance to one source of supply. This action can be initiated by a sole-source justification letter by specifying a brand name or "equal" characteristics, by means of restrictive specifications written around a particular product, or by specifying "no substitutions" on the requisition. *The fact that an item has been used satisfactorily is not justification to exclude procurement of items of similar or equal performance, quality, or design; nor will personal preference of an item justify excluding items that would serve the purpose.* The determining factor in preparing specifications shall be requirements of the County, not personal preferences of County employees. Sole source justification letters shall accompany the requisition giving reasons justifying the particular source for the procurement. *Reasons given must be factual - no opinions, beliefs, or personal preferences.*

7.D.1. FINANCIAL MANAGEMENT POLICIES AND PROCEDURES (continued)

Section 5.7 Conflict of Interest: Purchases of all supplies, materials, equipment, contracts for labor or services and leases are void if the Director of Finance, County Commissioners, County officials, or other County employees have an interest in said purchases, contracts, or leases. The County shall not be liable for any such purchase, contract, or lease. T.C.A. 5-2-1-121 provides that ".....The Director, Director of Finance, members of the Committee, nor members of the County Legislative Body, or other officials, employees, or members of the Board of Education shall be financially interested, or have any personal beneficial interest, either directly or indirectly, in any contract, lease, or purchase order for any supplies, materials, equipment, or contractual services used by or furnished to any department or agency of the County government. No firm, corporation, partnership, association, or individual furnishing any such supplies or equipment shall give or offer nor shall the Director or Director of Finance or any assistant or employee accept or receive, directly or indirectly, from any person, firm, or corporation to which any contract, lease, or purchase order may be awarded, by rebate, gift or otherwise, any money or anything of value whatsoever, or any promise, obligation, or contract for future reward or compensation."

Section 5.8 Purchase Procedures: After deciding a need for your department and the availability of budgeted funds, a requisition should be prepared for all purchases.

- A. **Purchase Requisitions:** Although the purchase order is the official document or contract between the County and vendor, the requisition is the most critical document in insuring responsive service with centralized purchasing. It will be the duty of each person and department having a need for equipment, materials, supplies, contracted services, or other things to anticipate their needs and place requisitions in advance to allow time for procurement under an orderly purchasing procedure. *Requisitions should be placed two to four weeks plus delivery time before the merchandise is needed. A requisition must be completed on the Finance Department form. The originator should retain a copy, and forward the original copy (small or fax copy is acceptable) to the Finance Department. The requisition should provide as much information as possible. The computer budget account number for the purchase of the supplies/materials/services should be entered on the requisition. Although not required, processing of the request will be expedited if the requisitioner would recommend a vendor with two alternate quotes noted on the requisition. Requisitions for any blanket or recurring purchase order must indicate the names of individuals authorized to pick-up the materials. Under comments, the requester can provide appropriate information as to brand or vendor. The phone number should be for the requester or the person most familiar with the specific item. A copy of the Requisition Form is shown at Appendix A.*
- B. **Purchase Order:**
 - 1. A purchase order is required for all purchases. A purchase order authorizes the purchase up to the approved dollar amount. The amount approved is determined by the requisition and the availability of funds in the budget. A purchase order may not exceed the approved amount. Excess amounts must be returned or paid for by the individual making the purchase. Purchase orders from Wal-Mart, Lowe's Staples etc. must be accompanied with the card assigned by the Finance Department.
 - 2. The purchase order is the official order acceptance of the bid offer which consummates a contract. At the time the purchase order is sent to the prospective vendor, the County enters into a contract with that vendor; therefore, it is important that the bids be carefully considered and purchase orders properly prepared. A copy of the Purchase Order Form is shown at Appendix B. After the best bid is determined, the Director of Finance shall prepare and approve the purchase order

and the ~~White, Pink, and Gold~~ copies are yellow copy is sent to the department requesting the purchase. The department places the order with the vendor and sends the vendor a copy of the purchase order. The department will keep a copy of the purchase order for their files.

~~a. While Copy (original or vendor copy) is sent to the vendor.~~
~~b. Blank Copy (Department File) is the copy kept by the department requesting the merchandise.~~

~~c. Blue Copy (Accounts Payable copy) is retained by the Finance Department and placed in an outstanding purchase order file until the merchandise is received, and order is ready for payment.~~

~~d. Gold/Yellow Copy (Purchasing Department Vendor File) is the receiving report copy and is returned to the department requesting the merchandise to be held until the merchandise is received. Upon completion of the order or contract, the Gold-yellow copy will be signed by the department and returned to the Finance Department along with any invoice and/or shipping documents with a notation of the total amount to be paid. It is very important that this copy be returned to the Finance Department as soon as the merchandise is received in order to make timely vendor payments and take advantage of any early payment discounts. In case of partial receipt of an order, the requester should make a copy of the Gold-yellow copy to retain until the back order is received. If the back order is expected in less than two (2) weeks and no early payment discount is involved, the requester may hold the Gold-yellow copy until all items are received. All gold-yellow copies of purchase orders must be submitted to the Finance Office by 12:00 pm on Tuesday for the Federal Projects Fund and by 12:30pm on Wednesday for all other funds.~~

C. **Changes to Purchase Orders:** Changes will follow the same procedures as if a new purchase order is being issued. *No employee will have the authority to change a purchase order or contract unless it is approved in advance by the Director of Finance in accordance with governmental purchasing procedures.*

D. **Blanket Purchase Orders:** Blanket purchase orders are used to reduce time and administrative cost for low dollar items purchased on a regular basis. These purchase orders are used for repetitive low dollar purchases and purchases against a previously bid annual or semi-annual requirements contract that sets a fixed price for these items. Blanket purchase orders will be issued on a monthly basis for a specified dollar amount as determined by the elected official, department head, or Director of Finance. Items costing over \$1,000 and not covered by requirements contract or state contract may not be purchased against a blanket purchase order unless approved by the Director of Finance. Blanket purchase orders should indicate personnel authorized to make purchases. The Blue copy of the blanket purchase order will be held until the end of the month, and the requester will attach, itemize, total all invoices/receipts, indicate the total amount to be paid on the Gold-yellow copy, and forward all documents to the Finance Department on the first working day of the month.

E. **Confirmation of Purchase Orders:** At times it will be necessary to obtain price quotes over the phone. The Director of Finance will authorize such purchases and provide the purchase order number.

Section 5.9 Purchasing Calendar: In order to receive volume discounts and to minimize delivery problems, the Director of Finance shall review the needs of each department and when the items will be needed. From this information, a purchasing calendar will be prepared indicating when certain items will be bid and when information will be needed to make such bids. For items not included on the purchasing calendar, department heads should allow two to four weeks for bidding depending on items to be purchased, plus estimated delivery time.

7.D.1. FINANCIAL MANAGEMENT POLICIES AND PROCEDURES (continued)

Chapter 6
REQUISITION AND PURCHASE ORDER PROCEDURES

All Departments

- A. Elected official or department head approves and signs all requisitions and forwards to the Finance Department. Teachers, custodial personnel, or other employees complete a requisition and forwards it to the school principal/department head for approval. The school principal/department head approves by signing the requisition then forwards it to the School Superintendent. *Note: No purchase order will be approved without the school principal's approval on the requisition.*
- B. The Elected official or department approves the requisition by signing and submits it to the Finance Department.
- C. Finance Department reviews requisition and drafts purchase order for all. The Director of Finance signs the P.O. after verifying fund balance in the requested account line item. In the case of a department having an immediate need of a purchase order, the Finance Department may assign the next purchase order over the telephone pending the completion of the purchase order in the computer. A log of all purchase orders issued is to be kept in the Finance Department.
- D. The Finance Department issues the P.O. (~~white-blue copy~~) ~~to the vendor for accounts payable and returns the Gold-yellow copy with a Pink-copy of the requisition to the originator.~~
- E. On receipt of the merchandise, the requester signs the Gold-yellow copy, indicates total amount to be paid, attaches receipts and any packing documents, and returns P.O. to the Finance Department for payment. (See Section 5.8b (3) for procedures on partial receipts.)
- F. For blanket purchase order procedures, see Section 5.8(d).
- G. For emergency purchase procedures, see Section 5.5.

Chapter 7
DELIVERY, BILLING, AND PAYMENT CYCLE

Section 7.1 Accounts Payable

- A. Outstanding Purchase Order File: Upon issuance of a purchase order, the Blue copy will be maintained in an "outstanding purchase order" file, alphabetically by vendor, until the order is fully paid or canceled. When the Gold-yellow copy of the purchase order is received from the originator of the requisition confirming receipt of the merchandise and an invoice is received from the vendor, the Blue outstanding purchase order copy will be pulled and attached. The purchase order is now considered ready for payment.
- B. Receiving Invoices: When an invoice is received, it is attached to the Blue outstanding purchase order file copy until the Gold-yellow receiving report copy is received. If the receiving report or payment approval is not received within two (2) working days, the department concerned should be contacted to determine if the merchandise has been received. Invoices should be verified as to price bid or quoted as it appears on the purchase order, quantity, freight charges, and exempt taxes.
- C. Verification for Payment: When an invoice, receiving report, packing slip, or bill of lading is received, the quantity, price, and exceptions noted on the various documents will be verified. Bedford County is tax exempt, and no taxes should be included on an invoice. If taxes are included, the vendor should be contacted, and a Tax Exempt Certificate provided to that vendor. At this time, payment may be made considering cash discounts, cash flow, and cash investments.
- D. Freight Charges: When taking bids, prices received from bidders should include all freight charges, and the purchase order should include a statement that the bid price includes freight charges. For those purchases for which the price does not include freight, the purchase order will state that all shipping and handling charges will be "PREPAID" and added to the invoice. The order will be considered "F.O.B. DESTINATION." Every effort will be made to avoid freight collect shipments.

Section 7.5.2 Paid Files: When County obligations are paid, invoices will be stamped or otherwise marked "PAID". One copy of the check payment stub will be stapled to the paid invoice along with the Gold-yellow receiving copy and all shipping documents. This will be filed alphabetically by vendor and maintained in a file cabinet for future use and auditing.

Section 7.6.3 Partial Payments: When there is to be a lengthy delay in receiving all of the merchandise purchased or when cash discounts are offered, a partial payment may be made for the order, provided the outstanding purchase order copy is marked with the amount paid and the amount due on the order when completed. *Each purchase order issued for instructional materials will have the statement, "Absolutely no back orders" typed at the bottom.*

Section 7.7.4 Payments: After complete verification, payment shall be made by issuing a County check. All invoices are to be paid weekly. The policy of the Finance Department is to write vendor checks every Wednesday for the Federal Projects Fund and on Thursday for all other funds. All

7.D.1. FINANCIAL MANAGEMENT POLICIES AND PROCEDURES (continued)

~~gold-yellow~~ copies of purchase orders must be submitted to the Finance Office by 12:00 pm on Tuesday for the Federal Projects Fund and by 12:00pm on Wednesday for all other funds. Checks will be processed the following week for ~~gold-yellow~~ copies of purchase orders submitted after the 12:00 pm due date.

Section 7.3.5 Delivery Cycle:

- A. Materials are received by requisitioning department with delivery ticket.
- B. Receiving department checks delivery against requisition/purchase order to see if the order is complete.
- C. Receiving department signs and dates delivery ticket and so annotates ~~Gold-yellow~~ copy of purchase order.
- D. Receiving department head signs ~~Gold-yellow~~ copy of purchase order and sends purchase order with delivery ticket to the Finance Department.

Section 7.3.6 Billing and Payment Cycle:

- A. Invoice is received at Finance Department.
- B. Invoice is checked against receiving report when applicable.
- C. Invoice is inputted into computer.
- D. Purchase order is liquidated if not a partial payment.
- E. Checks are processed, matched with invoices, and routed for authorized signature.
- F. Checks are routed back to Finance Department.
- G. Invoice is separated from check.
- H. Checks are mailed to vendor.
- I. Copy of check stub and invoice is filed.

8. Three Month Reports (Those not present last month)

The Clerk and Master, Trustee, Register of Deeds, and Property Assessor submitted written reports.

Election Registrar Summer Leverette reported that there are currently 25,000 registered voters in Bedford County, including inactive voters. The next election will be May 1, 2018 if the primary is called for. Commissioner Yockey asked how much a primary would cost Bedford County. Summer said the cost would be \$25,000 to \$30,000. Commissioner Woodson asked how much a special election for one district would cost. Summer said the administration costs would be the same, but the personnel costs would be less. Commissioner Patterson stated that if eliminating the primary would save the county \$25K-\$30K, then it should be eliminated. Summer said that would be up to the county primary boards. Commissioner Fox asked if both boards would have to call for the primary and Summer said that only one would have to call for it. Commissioner Sanders asked what was the deadline for making that decision. Summer said they would have to decide by November 17 which is the first day to pick up petitions.

Circuit Court Clerk Michelle Murray handed out a report of fees collected through the driving school. She said that they are working toward accepting credit card payments. The school is so booked they are having an extra class in April. Commissioner Woodson asked if out of town attendees pay the same in fees. Michelle said that if you get a ticket out of county, the fee is \$60 because you have to pay court costs in the county in which you got the ticket. She reported that in the Circuit, General Sessions, and Juvenile Court they have had a total of 4,948 cases this quarter. They have begun taking credit card payments. Fees are up the past couple of months. Things are going smoothly with collecting the old fees that were due. They have collected about \$124,000 in past due fees. In some cases they set up payments according to income. Some go back 10-15 years.

8. THREE MONTH REPORTS (continued)

Commissioner Yockey moved to approve all reports. Second by Commissioner Davis. Motion passed by voice vote.

9. ANNOUNCEMENTS

Commissioner Heflin announced that the Masonic Lodge will be having a pancake breakfast on April 29. The cost is \$6.

10. ADJOURN

There being no further business before the Board, County Mayor Ray declared the meeting adjourned at 7:19 p.m.

**Eugene Ray
Bedford County Board of Commissioners**

I certify that the minutes were completed on the 13th of April and delivered to the Bedford County Mayor's Office.

**Donna Thomas
Bedford County Clerk**

I certify that I received these minutes on the _____ day of April, 2017.

**Eugene Ray
Bedford County Mayor**