



CITY OF CAMPBELLVILLE POLICY AND PROCEDURE	
TITLE: PURCHASING POLICY AND PROCEDURE	SECTION: FINANCE
NUMBER: 100.1	EFFECTIVE: 3/12/2018

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Purpose

The purpose of this policy is to ensure that the best interests of the City be carried out in all transactions dealing with purchasing. The City should purchase without prejudice, and seek to obtain the maximum value for each dollar of expenditure in accordance with established City quality standards. The City should subscribe to, and work for, honesty and truth in buying and to avoid all forms of conflict of interest. Lastly, the City should work to avoid all unethical practices and the appearance of same.

1. Scope

This policy applies to employees with the City of Campbellsville and Campbellsville Water Company involved in any facet of purchasing and procuring goods or services for either organization.

2. Policy and/or Procedure

2.1 Definition

- *City*: City of Campbellsville, and Campbellsville Water Company.
- *Department Head (DH)*: Supervisor responsible for administering and operating said department. See Appendix A.
- *Designee*: Person that has been appointed by a Department Head for temporary approval of purchasing.
- *Department Buyer (DB)*: Person that has been approved by the Department Head to purchase goods and services under their direction.
- *Purchasing Team*: Persons that have the obligation of approving purchases at the respective level of purchasing.
- *IFB*: Invitation for Bid (Formal Bidding Process)
- *RFP*: Request for Bid
- *City Clerk*: City Clerk or in the case of the Campbellsville Water Company, the Controller/COO.

2.2 Training & Improvement

Periodic training courses for City employees involved in the purchasing process are available through the City. Because Campbellsville's purchasing process is user oriented, suggestions for improvement to the basic system which comply with underlying public procurement law are always welcomed and encouraged.

2.3 Levels of Purchasing

2.3.1. Purchasing Level 1 | \$1,000 or less

Individual goods and services costing no more than \$1,000 in cumulative value. Purchases in this classification originate and are completed at the departmental level. The purchase should not represent a splitting of the department head's needs in an effort to keep the purchase from being labeled a level 2 or 3 purchase.

The Department Head or his/her designee shall:

- Approve all purchases \$1,000 or less.
- Hear all evidence and render a final decision on vendor performances and eligibility to do business with the City.
- For any total purchase costing \$500 or more solicit and obtain three written estimates by the vendor.
- Notify the vendor that their bid was accepted.

2.3.2. Purchasing Level 2 | \$1,000.01 - \$19,999.99

Individual goods and services costing greater than \$1,000 and less than \$20,000 in cumulative value. Purchases in this classification originate at the department level and approval is completed at City Management level. The purchase should not represent a splitting of the department head's needs in an effort to keep the purchase from being labeled a level 3 purchase.

The Department Head or his/her designee shall:

- Approve and recommend the purchase, for consideration by the City Clerk (or their designee), for goods or services costing greater than \$1,000 and less than \$20,000.
- Hear all evidence and render a final decision on vendor performances and eligibility to do business with the City.
- Solicit and obtain (3) three written estimates.
- Notify the vendor that their bid was accepted or denied.

The City Clerk or his/her designee shall:

- Approve all purchases for goods or services costing greater than \$1,000 and less than \$20,000.

2.3.3. Purchasing Level 3 | \$20,000 or greater

Individual goods and services costing \$20,000 and greater in cumulative value. Purchases in this classification originate at the department level and approval is completed at City Management level.

The Department Head or his/her designee shall:

- Approve and recommend the purchase, for consideration by the City Clerk (or their designee), for goods or services costing \$20,000 and greater.
- Hear all evidence and render a final decision on vendor performances and eligibility to do business with the City.
- Follow the Formal Bidding Process as provided in section 2.7.
- Notify the vendor that their bid was accepted.

The City Clerk or his/her designee shall:

- Approve and recommend the purchase, for consideration by the Mayor or his/her designee, all purchases for goods or services costing \$20,000 and greater.

The Mayor or his/her designee shall:

- Have the final approval for all purchases for goods or services costing \$20,000 and greater.

2.3.4. Procedures for All Levels of Purchasing

- Approval must be granted with the acquisition of signatures on the PO, prior to the purchase taking place.
- The vendor should have good standing with the City.
- The vendor should be free of any liability to the City and should not be in violation of any City Code.
- The appropriate departmental budget should have sufficient unencumbered funds available.
- **IF AT ANY TIME THE CUMULATIVE COST ESCALATES TO ANOTHER PURCHASING LEVEL, STOP, AND RESTART THE PURCHASING PROCESS.**

2.4 Completing the Purchase and the Purchase Order

Use the following steps to complete a purchase.

- Identify which level of purchasing the purchase will adhere to. Refer to Section 2.3.
- Solicit and obtain written estimates as required by section 2.3.
- Ensure that the vendor meets requirement as required by section 2.3.
- Ensure the appropriate departmental budget has sufficient unencumbered funds available.
- Ensure that the City makes purchases with a tax-exempt status.
- Generate a purchase order using the purchase order format. **PO numbers must only be used once (each receipt/invoice must have it's own PO number).** If multiple trips are made to the same vendor in one day, each should have it's own number. (Appendix B)
- Obtain approval as required by Section 2.3.

- Generate Notice of Award and Notice To Proceed as needed. (Appendix C)
- File completed Purchase Order with Accounts Payable.
- File shipping documents and invoices with Accounts Payable.

2.5 Acceptable / Unacceptable Purchases

Except for emergencies, or an authorized exemption, no purchase should be made, nor is a purchase considered "authorized" until:

- The available funds have been located and encumbered.
- The appropriate City Official has issued a signed Purchase Order.

When purchases are made contrary to this policy:

- The purchase may be considered void and not considered an obligation of the City.
- The person ordering the unauthorized purchase may be personally liable for the cost of the purchase.

2.5.1. Business Meals for Staff

When an employee is required to work through lunch, it is appropriate for the City to pay for the lunch. However, this should be the exception and it should be documented that it was necessary to work through lunch with topics discussed and attendees listed. If it is appropriate for the City to pay for a business lunch, expenses should be kept at a reasonable level. Meals at your desk are not reimbursable.

2.5.2. Refreshments

The utilization of City funds for the purchase of tea, drinks, and snacks is inappropriate. Where desired, such items should be financed from employee supported funds for use in the employee's department. **Exception:** Coffee and it's related supplies may be purchased so long as it is made available to any person of the public who may visit the associated department. Providing refreshments for employees working in heated or cold or adverse conditions (crews working outside, Sanitation, Water Company, Firefighters, Police, etc.) is an appropriate use of City funds.

2.5.3. Community and Service Association Club Memberships

The City will not pay membership fees, monthly dues or meal costs for social or service clubs and organizations unless it is directly related to City business. It is appropriate for the City to pay for Elected Officials and City Administration meals at community events and functions that are directly related to City business.

2.5.4. Employee Gifts for Holiday, Birthdays and Retirements

The City will not pay for employee gifts for holiday, birthday, and retirement events.

2.5.5. Employee Recognition and Awards Programs

The City may pay for all reasonable expenses for employee recognition and awards programs.

2.5.6. Floral Arrangements to City Employees (Birthdays, Illness, etc.).

The City will not pay for flowers or cards sent to anyone as a result of illness, deaths, birthdays, or any other occasion.

2.5.7. Holiday Expenses

The City will not reimburse for meals, decorations, cards, or gifts related to any type of holiday activity.

2.5.8. Memberships

The City will pay for professional memberships relating to or adding value to one's City position.

2.5.9. Newspaper Subscriptions

Expenses for a reasonable, minimal number of subscriptions to local newspapers are considered appropriate for all City departments.

2.5.10. Office Decorations

As a practice, the City does not reimburse for personal items such as plants and pictures. However, the Department Head can authorize expenditures for decorating the office. This could include pictures, framing, and artwork. Only common area decorations may be reimbursed if approved by the Department Head.

2.5.11. Parking Reimbursements

Parking is reimbursable if incurred for City business, and should be submitted through the office of the City Clerk.

2.5.12. Professional Organization Functions

Expenses incurred to attend a professional organization function are appropriate. The function must be related to the employee's job duties or City business. The employee must receive prior approval from the Department Head.

2.5.13. Refreshments for Staff Meetings/Training

The City will not reimburse for staff meeting refreshments. Exceptions can be made for reimbursement by Department Head with explanation. Refreshments for training and or meetings involving outside guests are reimbursable. The event must be related to City business. A receipt, description of the event, and list of attendees should be provided for reimbursement.

2.5.14. Subscriptions to Professional Literature

Subscriptions to professional journals and magazines are considered appropriate expenses. Departments should avoid subscribing to multiple periodicals which provide similar information. When at all practical, departments should avoid duplicating subscriptions already purchased by other departments.

2.5.15. Travel Expenses

See 100.2 Travel and Expense Policy

2.6 How Purchasing Policy May Effect Your Job

It is vital that every employee involved in any part of the purchasing process understand the obligations, responsibilities, and liabilities, which can affect their job. These Purchasing Policies and Procedures provide the basic legal authority covering all purchases made by the City. Employees are reminded to keep these policies, and procedures in mind whenever they become involved in the procurement process. Procurement activity includes, but is not limited to: preparing specifications, reviewing bids, recommending awards, administering contracts with vendors, and making routine small purchases.

The following elements highlight some of the issues employees may face during interactions with vendors and the possible effect on the employee's position with the City. If further clarification is needed, contact the City Clerk.

2.6.1. Violation of Policy:

The willful violation of any provision of this Purchasing Policy and Procedure may subject you to:

- City disciplinary action;
- Paying all or a portion of the cost involved;
- Loss of employment.

2.6.2. Assuming authority:

A City employee who is neither a Department Head nor a Department Buyer, and who assumes any of these duties and responsibilities without the express consent of the appropriate City Official is in violation of this policy.

2.6.3. Purchasing Classifications:

Department personnel can be involved in each of the City's three major purchase classifications to varying degrees. Understanding each of these classifications is very important. A complete description can be found in Section 2.3 of this policy.

2.6.4. Unauthorized Purchases:

Purchases made without following this policy and procedure can result in the employee who places the order being held personally liable for the cost of the goods or services ordered or provided. Depending on the circumstances, the City may not be liable for payment of the invoices covering such unauthorized purchases.

2.7 Formal Bidding Process

The term "Formal Bid" is used to identify solicitations that represent major purchases of the City. The difference between a Formal and Informal Bid is primarily in the requirement of public notice. Formal bids require advertising in a newspaper of general circulation in the Campbellsville area. All formal bids should additionally be publicized on the city's website. Because of the scope of the contracts covered in a Formal Bid process, the specifications, general terms, conditions, and required award documentation are considerably more detailed and complex.

Formal bids are processed and published by the City Clerk with direct assistance from the purchasing departments in the preparation of technical specifications, plans, and drawings where required. The following steps are to be followed:

- The final bid invitation, including advertisement, general terms and conditions, special instructions, and other bid package inserts are to be prepared by the using department. The City Clerk shall then advertise for bids. The using department shall oversee the distribution of the bid package with assistance from the Purchasing Team.
- Formal bids will be received and opened publicly at the specified date, time, and place set forth in the bid documents by the City Clerk and then tabulated by the using/purchasing department.
- The using department then prepares a written report to the City Clerk or his/her designee containing its recommendations for award to the lowest and best responsible bidder meeting the City's specifications.
- After approval of the Mayor and the City Clerk, the using Department should issue a Purchase Order pursuant to Section 2.4 of this policy.

All contracts over \$20,000 should be awarded by the Mayor and the City Clerk.

Enough time should be allocated to the formal bidding process to offset any potential delays that could be encountered in resolving differences in specifications, bid terms, bid conditions, bid instructions, bid opening date, and any extensions.

2.8 Request for Proposal

Sealed bidding is not always feasible, therefore, an alternative method has been approved for certain situations. If the cumulative price is \$20,000 or greater, proposals are to be solicited by advertising in a newspaper of general circulation in the Campbellsville area (see section 2.7). Competitive negotiation is permitted so long as a memorandum has been generated by the Department Head stating one of the following findings:

- Specifications cannot be made sufficiently specific to permit award on the basis of either the lowest bid price or the lowest evaluated bid price.
- Sources of supply are limited.
- Time and place of performance cannot be determined in advance.
- Price is regulated by law.
- Fixed price contract is not applicable.
- Bids received are unreasonable or identical.
- All bids received exceed available funds.
- The scope of the project in need of procurement may be professional or personal in nature.

2.9 Specifications

- A specification is the description of materials or services to be purchased.
- Because quality is as important as price, specifications should be written that will fulfill, but not exceed, the requirements for which the materials and/or services are intended.
- In considering and developing specifications, it should always be borne in mind that purchases funded by public revenues cannot be expected to provide for deluxe or luxurious levels of quality. It is necessary to follow a general policy toward the purchasing of good, standard grades of merchandise which represent an optimum relationship between quality and price, at all times consistent with providing a satisfactory level of service.
- Bids, and quotations requiring written responses, should be based upon adequate specifications. A lengthy specification designed solely for the purpose of eliminating competition is contrary to the city's best interests, and shall not be permitted. A brand name should be used in a specification only when no other of its kind can be proven to be satisfactory. Specifications should have enough detail to afford a basis for full and fair competitive pricing based on a common standard and should be free from restrictions, which would tend to reduce or eliminate competition.

2.9.1. Types of Specifications

2.9.1.1. Brand Names

A brand name may be used if it is representative of the quality desired and its use is intended to be illustrative. If a brand name is used, the words "or equivalent" must be added, unless it is approved in advance by the Purchasing Team that the brand identified is the only brand that will meet their needs. Whenever possible, list all acceptable brand names (preferably at least three).

2.9.1.2. Technical or Design Specifications

This type of specification describes the construction of the item in detail. Although this may appear to be the best type of specification to use, the using department should have a complete understanding of the final product and its use. Use of technical or design specifications virtually eliminate the vendor from liability as to the performance of the item after the purchase is made because the responsibility for performance usually lies with the specifier. Due to this responsibility factor, technical or design specifications are among the most difficult and expensive to prepare.

2.9.1.3. Performance Specifications

This type describes the function and use of the product or exactly what the using department wants to accomplish as an end result. This is usually considered as one of the most versatile types of specifications because the supplier is able to apply the latest technologies and techniques to achieve the performance desired by the City. Once again, caution should be exercised in preparing this type of specification.

2.9.1.4. Or Equal

This is used frequently in specifications and does not mean that the product will be evaluated as to whether it is exactly equal to the product named in the specification. "Or Equal," or the more frequently used term, "or Equivalent," means that an alternative product bid will be evaluated to determine if it produces the same end result as the brand specified. It is important to add to the specification any physical characteristics of the product specified (such as general size, horsepower, weight, etc.) which should be met by the alternate bid in order to be accepted as "equivalent."

2.9.1.5. Addendums

Additions and/or changes to official specifications should be processed through the use of an addendum disclosing the added and/or changed information to be placed in the specifications. The addendum, with attachments if necessary, should be provided to each and every vendor of record that has received a copy of the City's specifications for the particular procurement at the time the addendum is issued. Each addendum should also be attached to the original specifications for subsequent distribution. The Department Head may elect to have a "Last Call For Questions", this allows the vendors/bidders the opportunity to ask any remaining question prior to the bid process closing.

2.10 Credit Card Usage

The purpose of credit cards is principally for use in the purchase of lodging, transportation and travel expenses, and registration costs pertaining to training sessions for City employees and elected officials. Credit cards may be used for other authorized purchases when all other methods of procurement have been exhausted or when it is the only acceptable form of payment by the vendor. Credit card purchases are intended to be small in scope and of a "non-capital" nature and shall not exceed limits established in the City's Procurement Policy.

The City Clerk is responsible for issuing, accounting for, monitoring, retrieving and generally overseeing compliance with the City of Campbellsville's Credit Card Policy. Credit cards and the credit card log will be stored in a secure location.

All purchases by City employees must be approved in advance. Debit cards or cards that are connected to banking accounts or the general fund are strictly prohibited.

2.10.1. Use of Credit Card

- The Cardholder must sign out the credit card by filling out the credit card log.
- The Cardholder must provide the purpose for use of the credit card, who will be making the charges, the vendor's name and purchase total if known, and date(s) of purchase.
- The Cardholder is responsible for the credit card and all purchases made while in his/her possession.
- Only authorized City personnel and officials can use the credit card.
- The Cardholder shall take all necessary precautions to keep the card and card number in a secure location.

- The credit card is to be used for City purchases only.
- The Cardholder must be able to justify that the use of the credit card was necessary and for an official City business purpose.
- Use of the credit card should be restricted to costs of training such as registration fees, lodging, and travel expenses (gas and meals).
- The credit card should only be used for purchase of materials if other methods of payment are not feasible or not accepted by the vendor.
- The Cardholder's department is responsible for all documented charges incurred on the Credit card including service fees and finance charges.
- Questions regarding the Credit card account and procedures should be directed to the City Clerk.
- The Cardholder must return the credit card to the City Clerk immediately after use and record date and time of return on the credit card log.

2.10.2. Credit Card Documentation

- Documentation must be retained as a proof of purchase any time a purchase is made using the credit card. Proof of purchase will be turned into City Clerk when the card is returned.
- Documentation showing a purchase total only is not acceptable. Receipts must itemize exactly what was purchased in detail and the price for each item.
- The Cardholder must sign receipts.
- The Cardholder is responsible for all purchases made. If the Cardholder fails to get proper documentation for a purchase, he/she is responsible for payment of the purchase.

2.10.3. Card Restrictions

The following uses of a Credit card are strictly prohibited:

- Cash Advances
- Personal purchases.
- Alcoholic Beverages
- Entertainment of any kind that is illicit or pornographic.

2.10.4. Reconciliation and Payment

- The City Clerk or his/her designee will reconcile the monthly billing statement and verify that all documentation has been received.
- Payment will be made promptly before the due date to avoid service or finance fees.

2.11 Documentation

All documents as they relate to purchasing shall be stored and archived according to the General Records Retention Schedule issued by the State of Kentucky.

Copies of the Approved Purchase Order, Invoices, Contracts, IFB, RFP, Advertisements and Packing Documentation shall be stored with the Accounts Payable Department.

The Original Purchase Order, written estimates, and memorandums should be maintained by the respective department.

2.12 Annual Contracts

Departments should annually secure prices, via contract, on frequently purchased items; these items may include but are not limited to: Asphalt, rock/aggregate, medical supplies, and water treatment chemicals. Prices for such items should be submitted to the City Clerk at budget time.

2.13 Ethics and Purchasing

It is the desire of the City to insure compliance with all ethical requirements in its purchasing practices. Generally, the City should attempt to avoid any transaction in which any City elected official (Mayor or City Council), City employee or any family member of any City elected official or City employee may benefit financially. However, there are certain exceptions contained in the City of Campbellsville Code of Ethics (Ordinance No. 94-005) and KRS 61.252 which allow transactions with officers and/or employees of the City and/or their family members. Great caution should be used in engaging any such transaction. The Mayor, after consultation with the City Attorney, should be required to approve any such transaction unless the City of Campbellsville Code of Ethics and/or KRS 61.252 also requires the approval of the City Council.

3. Exceptions

All exceptions to the requirements of this policy shall be documented and approved by the Mayor or his/her designee.

The permitted exceptions are as follows:

3.1 Sole Source

Certain purchasing transactions may be classified as sole source procurement exempt from competitive bidding when it is determined in writing by the using department and confirmed by the Purchasing Team that it is impractical to procure the commodity or service through competitive bidding process because there is only one vendor who can provide the good or service.

There are several justifications for sole source procurement including but not limited to the following:

- Purchase is made from the original manufacturer or provider and there are no regional distributors.
- Purchase is made from the only area distributor for the manufacturer or provider.
- Parts/equipment are not interchangeable with similar parts of another manufacturer.
- This is the only known item that will meet the specialized needs of this department or perform the intended function. (Attach memorandum with details).
- Parts/equipment are required from this vendor to provide standardization. (Attach memorandum explaining reason for standardization).

3.2 Emergency Purchases

Under normal operating conditions, a department may utilize the City purchasing system in order to secure an appropriate Purchase Order within a reasonable period of time for a procurement transaction. However, there may be occasions when circumstances dictate a process that allows for flexibility in dealing with emergencies.

An "emergency" exists when a breakdown in machinery, equipment, and/or a threatened termination of essential services, including maintenance and repair of essential equipment; or a

dangerous condition develops; or when supplies are needed for immediate use in work which may vitally affect the safety, health or welfare of the public. The using department shall determine in writing that the emergency exists.

3.2.1. Making an Emergency Purchase DURING Normal Working Hours.

When the "emergency" is identified during normal working hours, the process listed below should be followed:

- The Department Head shall immediately notify the Purchasing Team of the nature of the "emergency."
- The Department Head shall discuss the estimated cost of the goods/services required with the City Clerk, or his/her designee. Considering the circumstances, every effort should be taken to obtain the item or service at the lowest possible cost.
- The Department Head or his/her designee shall make every effort to secure verbal approval for the purchase from the City Clerk.
- When the Purchase Order is processed. It may be necessary, depending on the urgency of the purchase, to issue the Purchase Order prior to securing all of the required approvals on the requisition. However, Prior to payment being rendered to the vendor, the respective signatures must be obtained on the purchase order.
- If the cost exceeds \$20,000, the Purchasing Team will notify the Mayor prior to processing the Purchase Order.
- The Purchasing team will advise the using department and the vendor to include the PO number on all correspondence and invoices relating to the "emergency."
- The Department Head shall supply a written explanation of the "emergency". The explanation shall be prepared by the using department and submitted to the Mayor and the City Clerk.

3.2.2. Making an Emergency Purchase OUTSIDE Normal Working Hours.

When an "emergency" is identified outside of the normal office hours, the process listed below should be followed:

- The using department may procure the needed goods or services necessary to correct the "emergency" problem without obtaining prior approval from the Purchasing Team.
- The "emergency" procurement should be reported to the Purchasing Team no later than the next working day.
- If the cost exceeds \$1,000 the using department should make every effort to notify the City Clerk to secure prior verbal approval. However, the City Clerk must approve and recommend the vendor payment by signing a PO prior to payment being issued.
- If the cost exceeds \$20,000 the using department should make every effort to notify the Mayor to secure prior verbal approval. However, the Mayor must approve and recommend the vendor payment by signing a PO prior to payment being issued.
- The Department Head will then proceed to process a regular City Purchase Order ("PO").
- A written explanation of the "emergency" shall be prepared by the Department Head to the Purchasing Team and the Mayor.

3.3 State and GSA Pricing Contracts

The Commonwealth of Kentucky establishes contracts which are extended to all Kentucky cities. It is the responsibility of the Department Head to obtain a copy of the Kentucky Master Agreement and all additional documents relating to the price contract. Such documents can be

obtained from *emars.ky.gov* and *transparency.ky.gov*. The City shall have the right to contract with a vendor for supplies or equipment where such supplies or equipment are the subject of a price agreement with the Commonwealth of Kentucky. Such procurement shall be regarded as noncompetitive transactions. The Commonwealth of Kentucky and therefor the City also recognize the use of General Services Administration (GSA) of the United States of America contracts in the same respect as Commonwealth of Kentucky Price Contracts. By utilizing the for mentioned pricing contract, there should be no need to obtain quotes via competitive bidding.

3.4 Professional Services

Professional service contracts involve acquiring the services of a licensed professional or consultant, such as an attorney, physician, psychiatrist, psychologist, certified public accountant, engineer, land surveyor, architect, registered nurse, educational specialist, or instructor. Bids for such services may be taken; however, they are not required.

Authorization to Proceed with Work: A professional service contract is not valid, and the contractor may not start work until a written document describing the scope of work has been executed by the appropriate city official.

3.5 Inability to Obtain Required Number of Written Estimates

Certain circumstance may arise in which the Department Head is unable to acquire (3) three written estimates. If such circumstances arise, the Department Head shall generate a memorandum of the circumstance and file it with the purchasing documents.

4. Compliance / Enforcement

The appropriate city official, based upon which purchasing level was used, shall enforce this policy. Violations of this policy may be punishable by methods discussed in section 2.6.1 of this policy.

5. Resources

- KRS 424.260 (General Bidding Statute)

6. Revisions

Date	Section	Revision
3/12/2018		Initial Document Creation by Cody Wood, Blake Durrett, Millie Ramsey, Allen Crabtree, and Mayor Tony Young

7. Authorization

All purchasing authority issued by this policy has been granted so by the Mayor of the City of Campbellsville. This policy has been authorized by the Mayor of the City of Campbellsville and is effective as of 3/12/2018.

8. Attachments

- 8.1 **Appendix A – Department Heads & Designee List**
- 8.2 **Appendix B – Purchase Order Form**
- 8.3 **Appendix C – Notice of Award & Notice to Proceed Forms**



CITY OF CAMPBELLVILLE POLICY AND PROCEDURE

TITLE:
APPENDIX A – DEPT.
HEADS AND DESIGNEE
LIST

SECTION:
FINANCE

NUMBER:
100.1

EFFECTIVE:
3/14/2018

City of Campbellsville		
	Department Head	Designee
Administration	Cary Noe	
Fire-Rescue	Chris Taylor	
EMS	Allen Bottoms	
Information Technology	Jonathan Cruse	
Planning & Development		
Building & Codes	Allen Crabtree	
Stormwater	Lannie Harden	
Police	Mitch Bailey	
911 Communications	Mitch Bailey	
Public Works	Josh Pedigo	
Parks	Joe Wood	
Street	Derek Benningfield	
Water Company		
	Department Head	Designee
Water Administration	Josh Pedigo	
Waste-Water Collection	Ronnie Murray	
Waste-Water Treatment	Jeff Baxter	
Water Distribution	Griffin Hash	
Water Treatment	Neil Graham	

Vendor _____

Sales Tax Exemption Number CT-109-100

Date	2/9/2018
Project / Class	18-14

[illegible]

Notes:

Department Head (\$1,000 or Less)

Date

City Clerk / COO (Less Than \$20,000)

Date _____

Mayor (\$20,000 or Greater)

Date

NOTICE OF AWARD

TO: _____

PROJECT: _____

The OWNER has considered the estimate dated _____ for the WORK in response to its request for proposal.

The scope of WORK for the PROJECT is defined as:

_____.

You are hereby notified that your BID has been accepted for the amount of \$_____.

You are required prior to the NOTICE TO PROCEED to furnish the OWNER a copy of your insurance. If the copy is not received within ten (10) calendar days, this NOTICE shall be nullified and the award may go to another bidder. The OWNER will be entitled to such other rights as may be granted by law.

You are required to return an acknowledged copy of this NOTICE to the OWNER.

Dated this _____ day of _____, 20____

OWNER: _____

BY: _____

TITLE: _____

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE is hereby acknowledged as indicated by the signature below:

This the _____ day of _____, 20____

BY: _____

TITLE: _____

NOTICE TO PROCEED

TO: _____

PROJECT: _____

You are hereby notified to commence a portion of the WORK in accordance with the NOTICE OF AWARD dated _____. WORK, as defined in the NOTICE OF AWARD is scheduled to start _____.

You are required to return an acknowledged copy of this NOTICE to the OWNER.

Dated this ____ day of _____, 20____

OWNER: _____

BY: _____

TITLE: _____

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE is hereby acknowledged as indicated by the signature below:

This the ____ day of _____, 20____

BY: _____

TITLE: _____



CITY OF CAMPBELLVILLE POLICY AND PROCEDURE

TITLE:
APPENDIX A – DEPT.
HEADS AND DESIGNEE
LIST

SECTION:
FINANCE

NUMBER:
100.1

EFFECTIVE:
3/14/2018

City of Campbellsville		
	Department Head	Designee
Administration	Cary Noe	
Fire-Rescue	Chris Taylor	
EMS	Gary Magers	
Information Technology	Jonathan Cruse	
Planning & Development		
Building & Codes	Allen Crabtree	
Stormwater	Lannie Harden	
Police	Mitch Bailey	
911 Communications	Mitch Bailey	
Public Works	Josh Pedigo	
Parks	Joe Wood	
Street	Derek Benningfield	
Water Company		
	Department Head	Designee
Water Administration	Josh Pedigo	
Waste-Water Collection	Ronnie Murray	
Waste-Water Treatment	Jeff Baxter	
Water Distribution	Griffin Hash	
Water Treatment	Neil Graham	

Vendor _____

Sales Tax Exemption Number CT-109-100

Date	2/9/2018
Project / Class	18-14

[illegible]

Notes:

Department Head (\$1,000 or Less)

Date

City Clerk / COO (Less Than \$20,000)

Date

Mayor (\$20,000 or Greater)

Date

Travel Expense High Rate Areas

COMMONWEALTH OF KENTUCKY
FINANCE AND ADMINISTRATION CABINET
OFFICE OF THE CONTROLLER

Informational Copy Revised 09/15/2016

Effective September 15, 2016, the list of High Rate Areas recognized by the secretary of the Finance and Administration Cabinet for travel expense purposes shall be the corporate limits of each city listed or the entire state as outlined below:

Alabama: Birmingham, Mobile, Montgomery	Nebraska: Lincoln, Omaha
Alaska: Entire State	Nevada: Carson City, Lake Tahoe, Las Vegas, Reno
Arizona: Phoenix/Scottsdale, Tucson	New Hampshire: Entire State
Arkansas: Hot Springs, Little Rock	New Jersey: Entire State
California: Entire State	New Mexico: Albuquerque, Santa Fe
Canada: All Providences	New York: Entire State
Colorado: Entire State	North Carolina: Entire State
Connecticut: Entire State	North Dakota: Bismarck
Delaware: Dover, Wilmington	Ohio: Akron, Cincinnati, Cleveland, Columbus, Dayton, Toledo
District of Columbia (DC): Entire District	Oklahoma: Oklahoma City, Tulsa
Florida: Entire State	Oregon: Salem, Portland
Georgia: Entire State	Pennsylvania: Entire State
Hawaii: All Islands	Puerto Rico
Idaho: Boise, Coeur d'Alene	Rhode Island: Entire State
Illinois: Chicago (Cook County and DuPage County), Springfield	South Carolina: Charleston, Columbia, Hilton Head Island, Myrtle Beach
Indiana: Indianapolis	South Dakota: Pierre, Rapid City
Iowa: Des Moines	Tennessee: Chattanooga, Gatlinburg/Pigeon Forge, Knoxville, Memphis, Nashville
Kansas: Kansas City, Topeka	Texas: Entire State
Louisiana: Baton Rouge, New Orleans	Utah: Salt Lake City
Maine: Entire State	Vermont: Montpelier, Burlington
Maryland: Entire State	Virginia: Entire State
Massachusetts: Entire State	Virgin Islands: All Islands
Michigan: Entire State	Washington: Entire State
Minnesota: Minneapolis, St. Paul	West Virginia: Charleston, Morgantown
Mississippi: Jackson, Biloxi	Wisconsin: Madison, Milwaukee
Missouri: Jefferson City, Kansas City, St. Louis	Wyoming: Cheyenne, Jackson Hole
Montana: Helena	**All Other United States Possessions

(KRS 45.101 and 200 KAR 2:006)



CITY OF CAMPBELLVILLE POLICY AND PROCEDURE	
TITLE: TRAVEL AND EXPENSE POLICY	SECTION: FINANCE
NUMBER: 100.2	EFFECTIVE: 3/12/2018

Contents

Purpose

1. **Scope**
2. **Policy and/or Procedure**
 - 2.1 *Definition*
 - 2.2 *Travel Allowance*
 - 2.2.1. *Mileage*
 - 2.2.2. *Meals While Traveling*
 - 2.2.3. *High Rate and Non-High Rate*
 - 2.3 *Lodging Reimbursement*
 - 2.4 *Airfare*
 - 2.5 *Mileage Reimbursement*
3. **Exceptions**
4. **Compliance / Enforcement**
5. **Resources**
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7. **Authorization**
8. **Attachments**
 - 8.1 *Appendix A – Kentucky Meal Reimbursement Rates*
 - 8.2 *Appendix B – GSA Mileage Reimbursement Rates*
 - 8.3 *Appendix C – High Rate Travel Areas*

Purpose

The purpose of this policy is to ensure that when an employee is required to travel for business purposes that they are reimbursed or compensated appropriately.

1. Scope

This policy applies to employees with the City of Campbellsville and Campbellsville Water Company who may be required to travel for business purposes.

2. Policy and/or Procedure

2.1 Definition

- *City:* City of Campbellsville, and Campbellsville Water Company.
- *Department Head (DH):* Supervisor responsible for administering and operating said department.
- *City Clerk:* City Clerk or Controller/COO of the Water Company.

2.2 Travel Allowance

When travel is required for an employee's job, it should be approved by the Department Head (in writing), prior to the employee being paid a travel expense check. Employees will be paid based upon the allowance approved and the criteria set below.

2.2.1. Mileage

When employees travel using their privately owned vehicle (POV) they will be paid in advance of the trip per mile traveled based upon the rate in Appendix B. The City will adopt the General Services Administration rate for POV mileage reimbursement. The office of City Clerk will determine the mileage from City Hall to the destination, this will be considered the distance traveled. When Multiple employees travel using a POV, they should carpool if possible.

2.2.2. Meals While Traveling

Meals while traveling should be paid in advance using the chart provided in Appendix A. Before meal expenses will be paid, the distance traveled must be more than 40 miles from City Hall. The City will adopt the Commonwealth of Kentucky's meal reimbursement rate. Employees will only be paid for 75% of the daily rate for meals during days of travel. An example is that if an employee is traveling to Louisville for a 3-day conference, they will only be paid 75% for the day traveling to Louisville and the day returning from Louisville.

2.2.3. High Rate and Non-High Rate

All rates for travel should be considered Non-High Rate unless the destination is listed as a High-Rate Travel area or is Louisville, Lexington, or the Greater Cincinnati Area. See Appendix C

2.3 Lodging Reimbursement

Employees that are required to stay overnight during travel will only be reimbursed for the cost incurred for lodging if prior approval is given. Otherwise, if employees need lodging during a business trip, the City will arrange lodging in the most economical manner possible.

2.4 Airfare

When employees travel out of state and require the use of airfare tickets will only be purchased by the city for the economy class.

2.5 Mileage Reimbursement

Employees will be reimbursed for their mileage incurred if they utilize their privately owned vehicle for the purposes of business on an approved daily basis. A mileage reimbursement form must be completed monthly and turned into the Clerk's office.

3. Exceptions

All exceptions to the requirements of this policy shall be documented and approved by the Mayor or his/her designee.

4. Compliance / Enforcement

Violations of this policy may be punishable by methods discussed in section 2.6.1 of the Purchasing Policy.

5. Resources

- KY Travel Rates <https://finance.ky.gov/services/statewideacct/pages/travel.aspx>

- GSA Travel Rates <http://www.gsa.gov/travel>

6. Revisions

Date	Section	Revision
3/12/2018		Initial Document Creation by Cody Wood.

7. Authorization

This policy has been authorized by the Mayor of the City of Campbellsville and is effective as of 3/12/2018.

8. Attachments

- 8.1 Appendix A – Kentucky Meal Reimbursement Rates
- 8.2 Appendix B – GSA Mileage Reimbursement Rates
- 8.3 Appendix C – High Rate Travel Areas



Matthew G. Bevin
Governor

Commonwealth of Kentucky
Finance and Administration Cabinet
OFFICE OF THE SECRETARY
Room 383, Capitol Annex
702 Capital Avenue
Frankfort, KY 40601-3462
(502) 564-4240
Fax (502) 564-6785

William M. Landrum III
Secretary

SECRETARY'S ORDER NO. 16-008

MEAL REIMBURSEMENT RATES

WHEREAS, KRS 44.060 and 45.101 authorizes the Finance and Administration Cabinet to promulgate administrative regulations relating to reimbursement for travel expenses; and

WHEREAS, KRS 45.101(7) states that the Finance and Administration may promulgate administrative regulations to provide for the payment of a fixed expense allowance per day to be established by the Secretary of the Finance and Administration Cabinet; and

WHEREAS, pursuant to the authority granted by KRS 44.060 and 45.101, the Finance and Administration Cabinet has promulgated 200 KAR 2:006, specifying the authorization required for approval and reimbursement travel expenses; and

WHEREAS, 200 KAR 2:006, Section 7(3)(c) provides that state officers or employees shall be reimbursed at a rate set by 200 KAR 2:006, Section 7(3)(d); and

WHEREAS, 200 KAR 2:006, Section 7(3)(d) states that the Secretary of the Finance and Administration Cabinet shall specify meal reimbursement rates, as appropriate, via Secretary Order.

IT IS HEREBY ORDERED that, pursuant to the authority vested in me by KRS 44.060 and 45.101 and 200 KAR 2:006, Section 7, I, William M. Landrum III, Secretary of the Finance and Administration Cabinet, order and direct:

1. Meal reimbursement rates for high rate areas shall be as follows:
 - a. Breakfast: ten (10) dollars
 - b. Lunch: eleven (11) dollars
 - c. Dinner: twenty-three (23) dollars

2. Meal reimbursement rates for non-high rate areas shall be as follows:
 - a. Breakfast: eight (8) dollars
 - b. Lunch: ten (10) dollars
 - c. Dinner: eighteen (18) dollars
3. A copy of this order shall be posted and maintained on the website of the Finance and Administration Cabinet, Office of the Controller.
4. This Order shall not be read to waive any provision or requirement contained in 200 KAR 2:006.

This Order is effective September 15, 2016. The provisions of any prior Order that conflict with the provisions of this Order shall be null and void.

William M. Landrum III

William M. Landrum III, Secretary
Finance and Administration Cabinet

15 Sept 2016

Date

APPROVED AS TO FORM
AND LEGALITY:

Steven R. Penson

Attorney
Office of General Counsel
Finance and Administration Cabinet



CITY OF CAMPBELLVILLE POLICY AND PROCEDURE

TITLE:
APPENDIX B – MILEAGE
REIMBURSEMENT RATE

SECTION:
FINANCE

NUMBER:
100.2

EFFECTIVE:
N/A

Privately Owned Vehicle Mileage Reimbursement Rates

Modes of Transportation	Effective/Applicability Date	Rate per mile
Privately Owned Automobile*	January 1, 2018	\$0.545
Government-furnished automobile	January 1, 2018	\$0.18
Motorcycle	January 1, 2018	\$0.515
Airplane	January 1, 2018	\$1.21

* Use must be authorized or no Government-furnished automobile available

Visit [Privately Owned Vehicle \(POV\) Mileage reimbursement rates](#) for official government travel requirements and details on calculating reimbursement.

Travel Expense High Rate Areas

COMMONWEALTH OF KENTUCKY
FINANCE AND ADMINISTRATION CABINET
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Arkansas: Hot Springs, Little Rock	New Jersey: Entire State
California: Entire State	New Mexico: Albuquerque, Santa Fe
Canada: All Providences	New York: Entire State
Colorado: Entire State	North Carolina: Entire State
Connecticut: Entire State	North Dakota: Bismarck
Delaware: Dover, Wilmington	Ohio: Akron, Cincinnati, Cleveland, Columbus, Dayton, Toledo
District of Columbia (DC): Entire District	Oklahoma: Oklahoma City, Tulsa
Florida: Entire State	Oregon: Salem, Portland
Georgia: Entire State	Pennsylvania: Entire State
Hawaii: All Islands	Puerto Rico
Idaho: Boise, Coeur d'Alene	Rhode Island: Entire State
Illinois: Chicago (Cook County and DuPage County), Springfield	South Carolina: Charleston, Columbia, Hilton Head Island, Myrtle Beach
Indiana: Indianapolis	South Dakota: Pierre, Rapid City
Iowa: Des Moines	Tennessee: Chattanooga, Gatlinburg/Pigeon Forge, Knoxville, Memphis, Nashville
Kansas: Kansas City, Topeka	Texas: Entire State
Louisiana: Baton Rouge, New Orleans	Utah: Salt Lake City
Maine: Entire State	Vermont: Montpelier, Burlington
Maryland: Entire State	Virginia: Entire State
Massachusetts: Entire State	Virgin Islands: All Islands
Michigan: Entire State	Washington: Entire State
Minnesota: Minneapolis, St. Paul	West Virginia: Charleston, Morgantown
Mississippi: Jackson, Biloxi	Wisconsin: Madison, Milwaukee
Missouri: Jefferson City, Kansas City, St. Louis	Wyoming: Cheyenne, Jackson Hole
Montana: Helena	**All Other United States Possessions

(KRS 45.101 and 200 KAR 2:006)