



CONTRACTING/PURCHASING MANUAL

A Product of the Contract Deliverables Committee Summer/Fall 2002

J. E. Faw, Deputy City Manager – Chairperson
Ron Doyle, City Attorney – Co-Chairperson

Kathy Ameal, Purchasing Manager
Cory Crebbin, Public Works Director
Cynthia Danzl-Jenkins, Accountant
Christy Davis, Administrative Support Technician
Deborah Devin, Accounts Payable Clerk
Greg Jones, Parks & Recreation Director
Phil Niver, Building Projects Coordinator
Brice Perkins, WRD Construction Manager
Jackie Rodgers, Office Administrator
Beverly Sandblast, City Recorder

The procedures outlined in this manual can be implemented by departments partially and/or in their entirety immediately. However, they are not required to do so until July 1, 2003, when the revised Administrative Regulation on Contracting and Purchasing becomes effective. Please consult with the City Code, Sections 2.500 through 2.630 for Council rules currently in effect related to these matters.

CONTRACTING/PURCHASING MANUAL

TABLE OF CONTENTS

SECTION I – GENERAL INFORMATION

Introduction	3
Program Objectives of the Contracting/Purchasing Program	3

SECTION II – PURCHASING, COMPETITIVE SOLICITATION AND CONTRACTING PROCESS

Materials and Services (Not Professional Services) Schematic	4
Personal Services (Professional) Schematic	5
Public Improvements Schematic	6
Internal Contract Processing Schematic	7
Personal Services Contract Defined	8
Agreement Processing Control Record (APCR) Procedures and Contracting Tips	9
APCR Form	10
W-9 Form	11

SECTION III – REQUEST FOR PROPOSAL (RFP)

Proposal Process Essential Components	13
Materials and Services Request for Proposal (RFP) Sample	17
Personal Services Request for Proposal (RFP) Sample	22

SECTION IV – ACCOUNTS PAYABLES

Payment of Purchase Orders	38
Payment of Disbursement Requests	38
Payment of Contracts	39
Payment of Purchasing Cards (P-Cards)	39
Payment of Travel Expense Reports	39
Year End	39
Disbursement/Refund Request Forms	40

SECTION V – APPENDIX

Contracting and Purchasing Administrative Regulation	Appendix A
Purchasing Cards Administrative Regulation	Appendix B
Travel Expense Administrative Regulation	Appendix C

SECTION I – GENERAL INFORMATION

A. INTRODUCTION

This manual has been developed by the Contract Deliverables Committee to provide guidelines for personnel involved in any aspect of the procurement function. It defines objectives, policies and procedures which contribute to a fiscally responsible purchasing program.

Personnel involved in the purchasing function should be knowledgeable of the City of Medford Code Section 2.500 through 2.630 “City Contracting and Purchasing”, and Administrative Regulation 85-8. The latter is enclosed in the Appendix section of this manual.

These guidelines address authority and responsibility for all employees participating in city purchasing functions. Accountability and timeliness in processing of transactions are integral elements of this program.

Employees involved in the purchasing function are encouraged to utilize the HTE financial system where appropriate, to minimize manual processes, eliminate paperwork, and provide timely recording of transactions. Training and retraining will be provided by Purchasing staff to assure understanding and efficient use of the system and compliance with purchasing procedures.

Questions regarding information contained in this manual should be directed to the following:

Purchasing Manager	774-2035
City Attorney	774-2020
Deputy City Manager	774-2007

B. PROGRAM OBJECTIVES OF THE CONTRACTING/PURCHASING PROGRAM

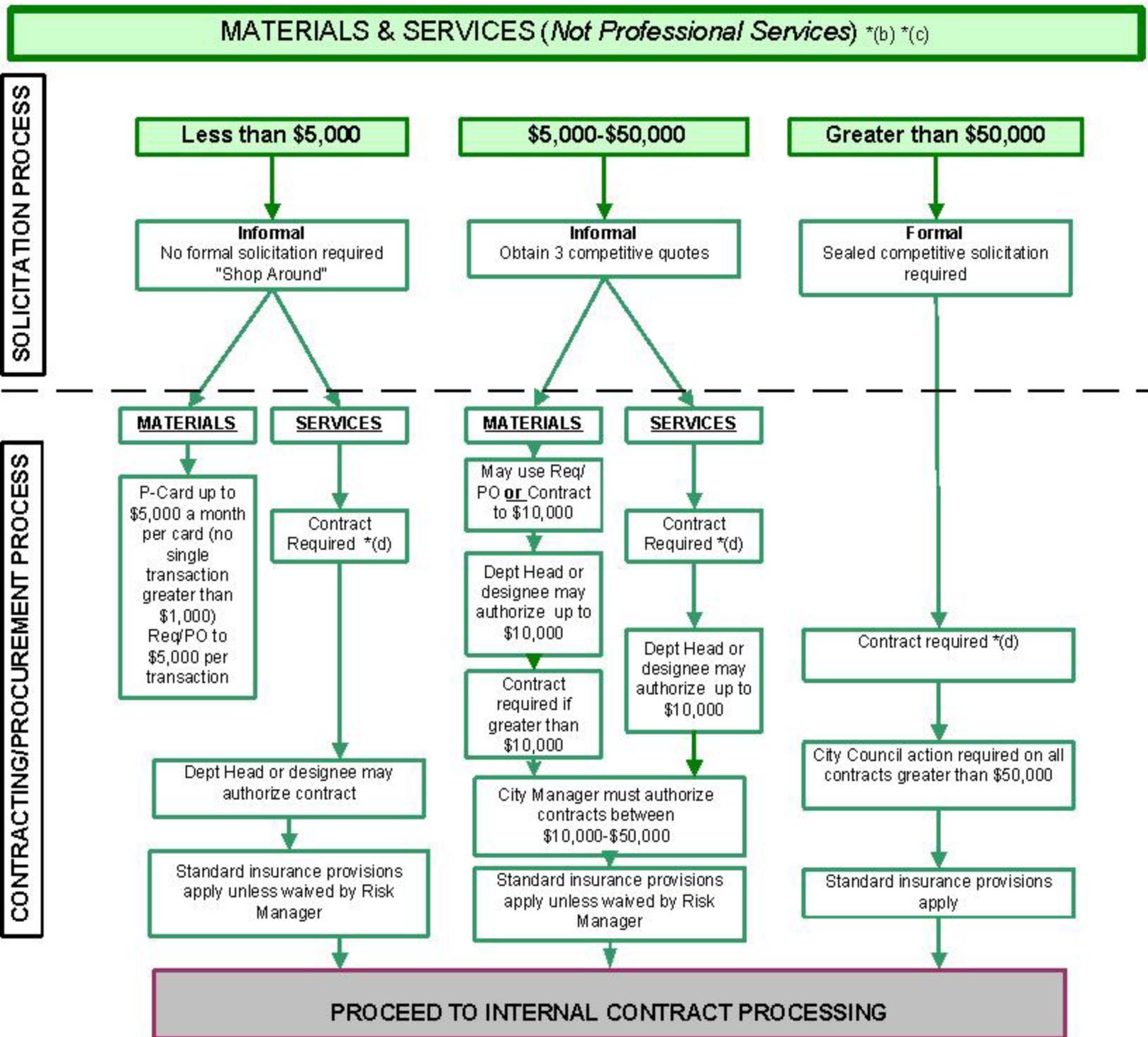
Primary objectives necessary to develop and implement an efficient and effective procurement program include:

- A. Adherence to the fundamental principals of purchasing (i.e., “buy the right quality, right quantity, at the right time, at the right price, from the right source.”)
- B. Be responsive to biennial restraints and recognize, respect and support the budget spending limitations.
- C. Establish consistency in the preparation and distribution of legal documents relating to City purchasing.
- D. Ensure that all purchases are transacted in accordance with State law, City of Medford Code and City Administrative Rules.
- E. Promote goodwill and clear communication channels in City/Vendor relations as well as inter-departmental.
- F. Promote equal opportunity policies in procurement practices with all vendors, treating all equitably and courteously, without fail.
- G. Conduct procurement-related activities in a professional and ethical manner.

*Generally, all goods and services must be procured after advertising the need for products and services, through formal or informal means, and by awarding a contract to the lowest responsive, responsible bidder. A **responsive** bidder is one who has complied with all the requirements found in the bid solicitation document and agrees to be bound by its terms and conditions. A **responsible** bidder is one who has the ability to provide the material, equipment or service as required by the solicitation process.*

City of Medford

Purchasing, Competitive Solicitation and Contracting Schematic ^{*(a)}



Please Note: Contracts that must contain a "hold harmless" clause, go to City Council for approval regardless of fiscal impact. Please consult with City Attorney for details.

^{*(a)} No formal selection process is needed for equipment repair, data processing, telecom systems or single manufacturer of a required procurement if amount is less than \$50,000. Contracts are required in all cases except equipment repair.

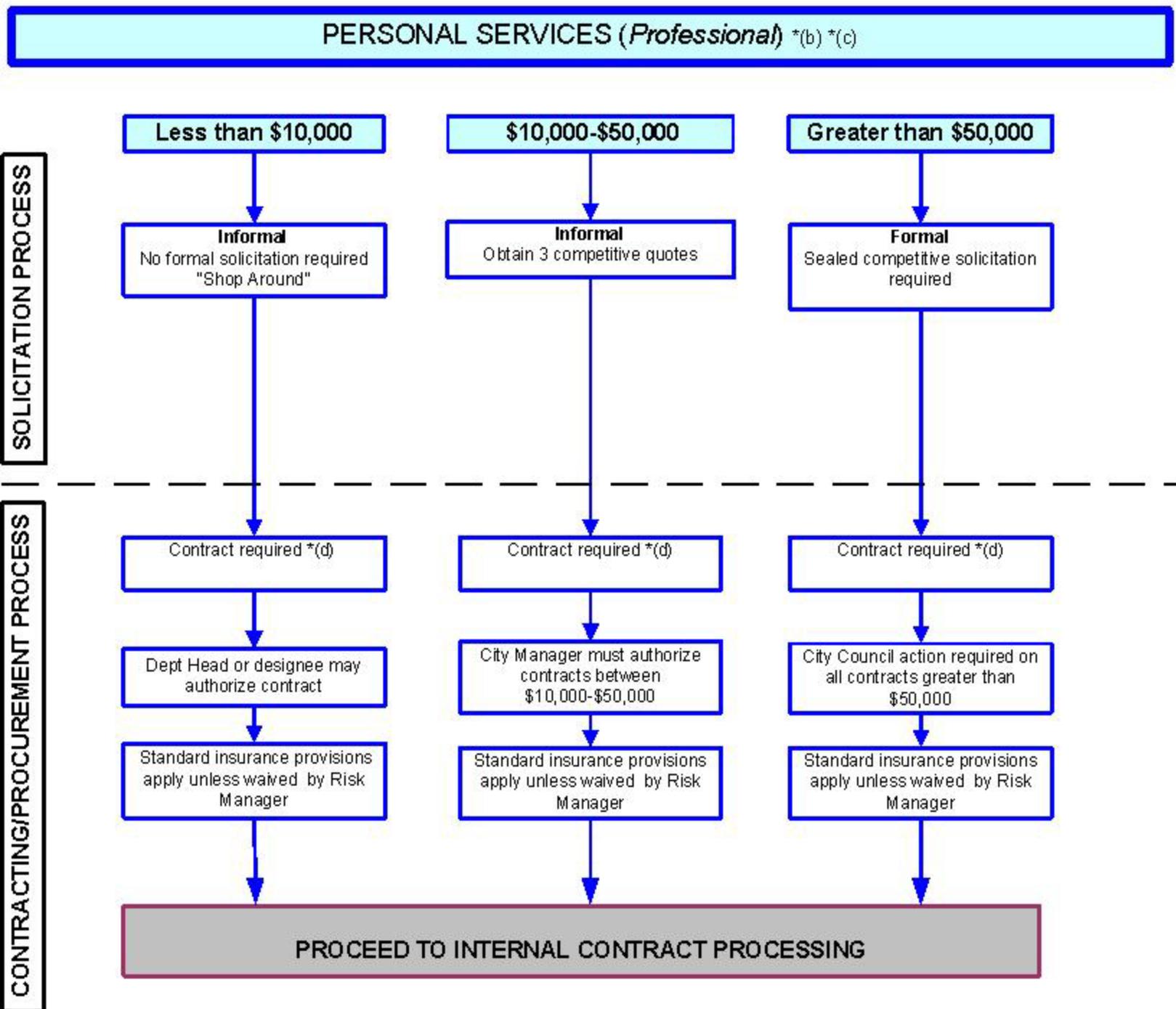
^{*(b)} Up to a 25% increase over original contract price is exempt from competitive bidding. Dollar value of new obligation drives contracting process to be followed. For example, if original contract is \$400,000, change orders up to \$100,000 (25%) is OK. Should a change order exceed the 125% contract cap, an informal solicitation process is required for less than \$50,000; a formal solicitation process is required for greater than \$50,000.

^{*(c)} A bonifide emergency can waive competitive bidding up to \$50,000 with City Manager approval.

^{*(d)} Legal forms approved by the City Attorney's office are available on the "M" drive under Legal Forms.

City of Medford

Purchasing, Competitive Solicitation and Contracting Schematic ^{*(a)}



Please Note: Contracts that must contain a "hold harmless" clause, go to City Council for approval regardless of fiscal impact. Please consult with City Attorney for details.

^{*(a)} No formal selection process is needed for equipment repair, data processing, telecom systems or single manufacturer of a required procurement if amount is less than \$50,000. Contracts are required in all cases except equipment repair.

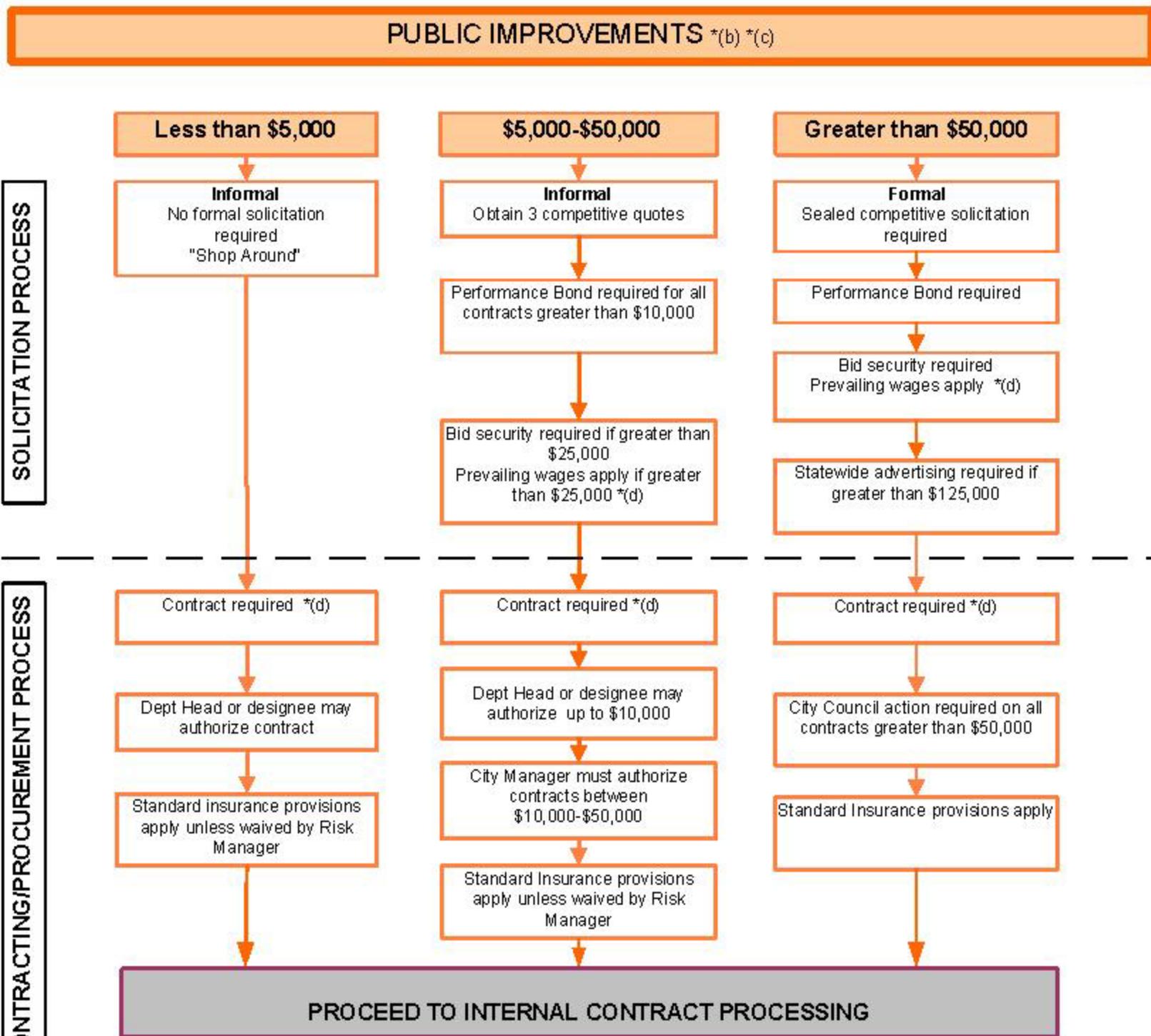
^{*(b)} Up to a 25% increase over original contract price is exempt from competitive bidding. Dollar value of new obligation drives contracting process to be followed. For example, if original contract is \$400,000, change orders up to \$100,000 (25%) is OK. Should a change order exceed the 125% contract cap, an informal solicitation process is required for less than \$50,000; a formal solicitation process is required for greater than \$50,000.

^{*(c)} A bonifide emergency can waive competitive bidding up to \$50,000 with City Manager approval.

^{*(d)} Legal forms approved by the City Attorney's office are available on the "M" drive under Legal Forms.

City of Medford

Purchasing, Competitive Solicitation and Contracting Schematic ^{*(a)}



Please Note: Contracts that must contain a "hold harmless" clause, go to City Council for approval regardless of fiscal impact. Please consult with City Attorney for details.

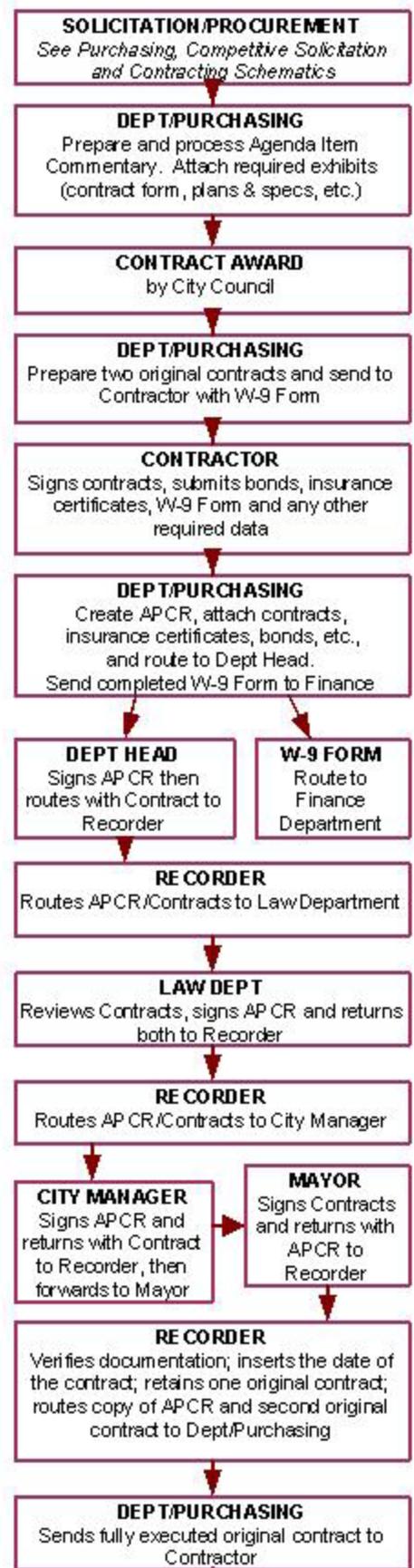
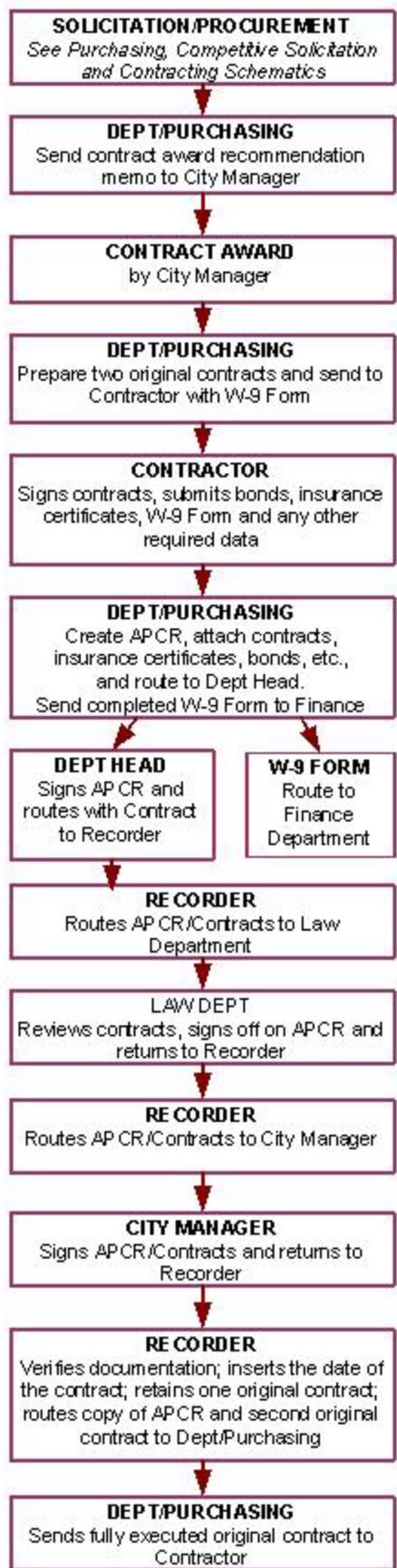
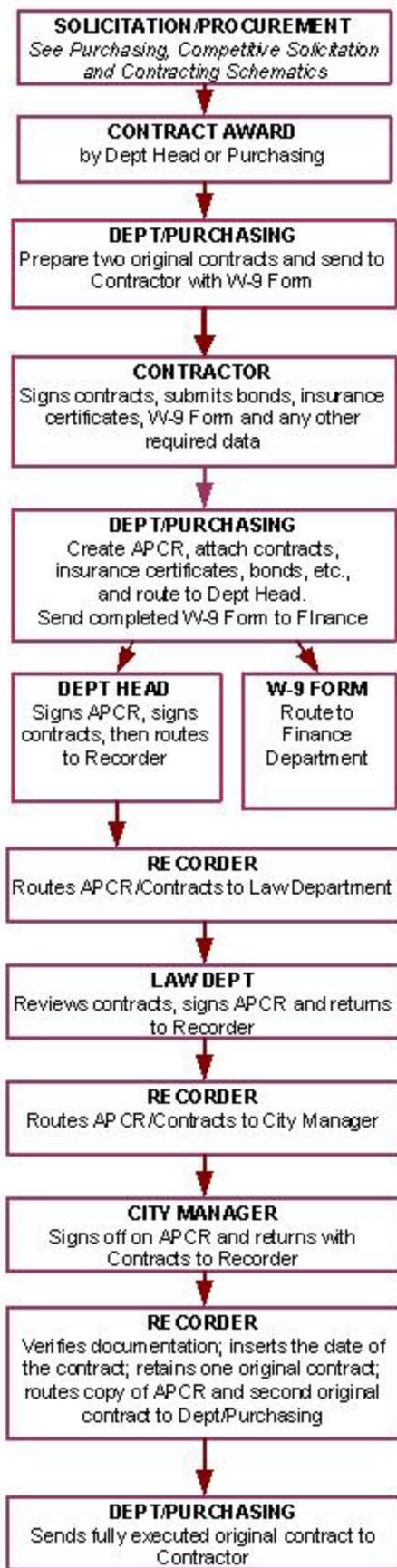
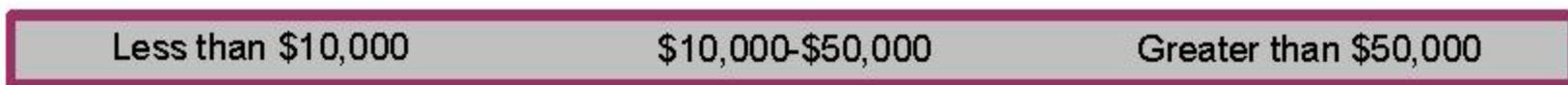
^{*(a)} No formal selection process is needed for equipment repair, data processing, telecom systems or single manufacturer of a required procurement if amount is less than \$50,000. Contracts are required in all cases except equipment repair.

^{*(b)} Up to a 25% increase over original contract price is exempt from competitive bidding. Dollar value of new obligation drives contracting process to be followed. For example, if original contract is \$400,000, change orders up to \$100,000 (25%) is OK. Should a change order exceed the 125% contract cap, an informal solicitation process is required for less than \$50,000; a formal solicitation process is required for greater than \$50,000.

^{*(c)} A bonifide emergency can waive competitive bidding up to \$50,000 with City Manager approval.

^{*(d)} Legal forms approved by the City Attorney's office are available on the "M" drive under Legal Forms.

City of Medford Internal Contract Processing



CONTRACTOR
MAY BEGIN WORK ONLY AFTER APCR IS FULLY EXECUTED

PERSONAL SERVICE CONTRACT DEFINED

See Medford Code Section 2.583 for Definition and Examples

ILLUSTRATIONS:

- I.** If the objective of the contract is to tell the city how to do something (report, analysis, design plans, direction on how to proceed), the contract is most likely a Personal Service Contract. Consultant contracts are Personal Service Contracts.

Examples: Engineer recommends sewage treatment plant expansion; landscape architect provides list of recommended plantings in parks; retained attorney recommends course of action; communications expert reports on ways to reach the public through public relations campaign.

- II.** If the vendor is required to have a professional certification in order to render the service, the contract is most likely a Personal Service Contract.

Examples: See Section 2.583 (accountant, attorney, physician, registered professional engineer, architect, appraiser, etc.).

- III.** If the contract is primarily for providing a tangible product or for maintenance services, then the contract is probably not a Personal Service Contract.

Examples: Painting, tree trimming, custodial, equipment repair, street striping, etc.

APCR PROCEDURES AND CONTRACTING TIPS

- ◆ There are several generic contract forms available on City's "M" drive in the Legal Forms folder.
- ◆ Departments are free to administer their own contract process, or seek the assistance of the Purchasing Division of Finance.
- ◆ In any case, these essential steps must occur, in this sequence:
 - ❖ Refer to the City of Medford Purchasing, Competitive Solicitation and Contracting Schematic that annotates the steps required for various types of contracting scenarios.
 - ❖ When a contract is required, a project CANNOT BEGIN until a duly executed contract is completed.
 - ❖ Review by the City Attorney and City Manager's Office (CMO) is a necessary prerequisite of every executed contract, as is a completed Agreement Processing Control Record (APCR).
- ◆ The City Recorder's Office (CRO) serves as the gateway and ultimate repository for every City contract.
 - ❖ The CRO routes the contracts to various approval offices, and back to Requesting Departments (or Purchasing Office). Departments, not CRO, are responsible to verify that all requirements of the contracting process have been met, including those pertaining to insurance. CRO does verify that all documents have been received.
- ◆ Prior to routing the APCR and contract copies to CRO, appropriate insurance documentation should be obtained and attached, covering the term of the contract.
 - ❖ In unusual circumstances, where time is of the essence, the insurance document can follow forwarding of APCR and contracts to CRO, so authorization procedures (Legal and CMO) can get started. Contractor work CANNOT BEGIN until insurance documentation is received.
- ◆ The City generally signs last; however, intergovernmental agreements are a typical exception.
- ◆ A word on contract dating. As noted above, contracts become effective upon completion of APCR process and execution by the approved City official, be it a department head, the City Manager, or the Mayor (on Council's behalf) as appropriate. Only then, the project may proceed. Date of Council meeting on which council action is taken is not the effective date of the contract.
 - ❖ Contract ending date is the estimated date of completion of all work or delivery of finished goods/products, as contemplated in the terms of the agreement. It is appropriate to list the last day of the fiscal year, June 30, as the terminal date for agreements, if this is acceptable to originating departments.
 - Contracts that span fiscal periods (beyond June 30, 2003, and after that, beyond a biennium) need to contain "funding out" language that allows the City to specifically terminate the agreement should Council choose not to authorize funding in a subsequent fiscal period for the purposes contained in the agreement.

Request for Taxpayer Identification Number and Certification

**Give form to the
requester. Do not
send to the IRS.**

Print or type
See Specific Instructions on page 2.

Name		
Business name, if different from above		
Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶	<input type="checkbox"/> Exempt from backup withholding	
Address (number, street, and apt. or suite no.)	Requester's name and address (optional)	
City, state, and ZIP code		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). **However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 2.** For other entities, it is your employer identification number (EIN). If you do not have a number, see **How to get a TIN** on page 2.

Social security number								
or								
Employer identification number								

Note: If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
2. I am not subject to backup withholding because: **(a)** I am exempt from backup withholding, or **(b)** I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or **(c)** the IRS has notified me that I am no longer subject to backup withholding, **and**
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 2.)

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

Purpose of Form

A person who is required to file an information return with the IRS must get your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to give your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

If you are a foreign person, use the appropriate Form W-8. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 30% of such payments **after** December 31, 2001 (29% **after** December 31, 2003). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will **not** be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester, or
2. You do not certify your TIN when required (see the Part II instructions on page 2 for details), or
3. The IRS tells the requester that you furnished an incorrect TIN, or
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions on page 2 and the separate **Instructions for the Requester of Form W-9.**

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name. If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first and then circle the name of the person or entity whose number you enter in Part I of the form.

Sole proprietor. Enter your **individual** name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, **enter the owner's name on the "Name" line.** Enter the LLC's name on the "Business name" line.

Other entities. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Exempt from backup withholding. If you are exempt, enter your name as described above, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. For more information on exempt payees, see the Instructions for the Requester of Form W-9.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

Note: If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Part I—Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box.

If you are a **resident alien** and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see **How to get a TIN** below.

If you are a **sole proprietor** and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are an LLC that is **disregarded as an entity** separate from its owner (see **Limited liability company (LLC)** above), and are owned by an individual, enter your SSN (or "pre-LLC" EIN, if desired). If the owner of a disregarded LLC is a corporation, partnership, etc., enter the owner's EIN.

Note: See the chart on this page for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get **Form SS-5**, Application for a Social Security Card, from your local Social Security Administration office. Get **Form W-7**,

Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or **Form SS-4**, Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS Web Site at www.irs.gov.

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II—Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 3, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see **Exempt from backup withholding** above.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA or Archer MSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to give your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or Archer MSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 30% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN or:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship	The owner ³
For this type of account:	Give name and EIN or:
6. Sole proprietorship	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name, but you may also enter your business or "DBA" name. You may use either your SSN or EIN (if you have one).

⁴ List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.



SECTION III – REQUEST FOR PROPOSAL (RFP)

PROPOSAL PROCESS ESSENTIAL COMPONENTS For Procurements Over \$50,000

Purchases over \$50,000 require a formal competitive process. The following items are required elements in a bid document:

- (1) A public contracting agency preparing bid documents for a public contract shall, at a minimum, include:
 - (a) A statement that, if the contract is for a public work subject to ORS 279.348 to 279.380 or the Davis-Bacon Act (40 U.S.C. 276a), no bid will be received or considered by the public contracting agency unless the bid contains a statement by the bidder as part of its bid that the provisions of ORS 279.350 or 40 U.S.C. 276a are to be complied with;
 - (b) The date and time after which bids will not be received, which shall be not less than five (5) days after the date of the last publication of the advertisement;
 - (c) The date that prequalification applications must be filed under ORS 297.039(1) and the class or classes of work for which bidders must be prequalified if prequalification is a requirement;
 - (d) The character of the work to be done or the material or things to be purchased;
 - (e) The office where the specifications for the work, materials or things maybe reviewed;
 - (f) The name and title of the person designated for receipt of bids;
 - (g) The date, time and place that the public contracting agency will publicly open the bids;
 - (h) A statement that each bid must identify whether the bidder is a resident bidder, as defined in ORS 279.029;
 - (i) A statement that the public contracting agency may reject any bid not in compliance with all prescribed public bidding procedures and requirements, and may reject for good cause any or all bids upon a finding of the agency that it is in the public interest to do so;
 - (j) Information addressing whether a contractor or subcontractor must be licensed under ORS 468A.720 to do asbestos abatement work; and
 - (k) A statement that no bid for a construction contract shall be received or considered by the public contracting agency unless the bidder is registered with the Construction Contractors Board or licensed by the State Landscape Contractors Board as required by ORS 671.530.

Examples of competitive solicitation documents to be used as a guide follow. Within Section II are schematics that define the process.

Please note that every contract that results from a formal competitive process must have a clearly stated “deliverables” section that ideally lists goals of the project and products/outcomes that will be required for satisfactory completion. Please refer to the sample documents hereafter, for examples.

PROPOSAL PROCESS ESSENTIAL COMPONENTS For Professional Services Procurements Over \$50,000

When purchasing services (professional services) over \$50,000 a formal competitive process must be undertaken. The following items are required elements in a proposal document:

- (1) A public contracting agency preparing solicitation documents for a public contract shall, at a minimum, include:
 - (a) Contractual requirements stated clearly in the solicitation document.
 - (b) Evaluation criteria to be applied in awarding the contract and the role of an evaluation committee, if any, are stated clearly in the solicitation document.
 - (A) Criteria used to identify the proposal that best meets the public contracting needs may included but are not limited to cost, quality, service, compatibility, product reliability, operating efficiency and expansion potential.
 - (c) Solicitation document clearly states all complaint processes and remedies available.
 - (d) Solicitation document states the provisions made for vendors to comment on any specifications, which they feel, limit competition.

A schematic detailing the flow of the personal (professional) process can be found in Section II and examples of competitive solicitation documents to be used as a guide follow in this Section.

PROPOSAL PROCESS ESSENTIAL COMPONENTS For Public Improvement Procurements Over \$50,000

When contracting for Public Improvement Contracts over \$50,000 a formal competitive process must be undertaken. The following items are required elements in a bid document:

- (1) A public contracting agency preparing bid documents for a public contract shall, at a minimum, include:
 - (a) Notice of any pre-Offer conference as follows:
 - (A) The time, date and location of any pre-Offer conference; and
 - (B) Whether attendance at the conference will be mandatory or voluntary; and
 - (C) That statements made by the Agency's representatives at the conference are not binding upon the Agency unless confirmed by Written Addendum.
 - (b) A statement that, if the contract is for a public work subject to ORS 279.348 to 279.380 or the Davis-Bacon Act (40 U.S.C.276a), no bid will be received or considered by the public contracting agency unless the bid contains a statement by the bidder as a part of its bid that the provisions of ORS 279.350 or 40 U.S.C. 276a are to be complied with:
 - (c) The date and time after which bids will not be received, which shall be not less than five (5) days after the date of the last publication of the advertisement;
 - (d) The date that prequalification applications must be filed under ORS 279.039(1) and the class or classes of work for which bidders must be prequalified if prequalification is a requirement;
 - (e) The character of the work to be done or the material or things to be purchased;
 - (f) The office where the specifications for the work, materials or things may be reviewed;
 - (g) The name and title of the person designated for receipt of bids;
 - (h) The date, time and place that the public contracting agency will publicly open the bids;
 - (i) A statement that each bid must identify whether the bidder is a resident bidder, as defined in ORS 279.029;
 - (j) A statement that the public contracting agency may reject any bid not in compliance with all prescribed public bidding procedures and requirements, and may reject for good cause any or all bids upon a finding of the agency that it is in the public interest to do so;
 - (k) Information addressing whether a contractor or subcontractor must be licensed under ORS 468A.720 to do asbestos abatement work; and
 - (l) A statement that no bid for a construction contract shall be received or considered by the public contracting agency unless the bidder is registered with the Construction Contractors Board or licensed by the State Landscape Contractors Board as required by ORS 671.530.
 - (m) A statement that the contractor shall comply with ORS 279.312 pertaining to the payment of all entities furnishing labor or material; contributions to Industrial Accident Fund; liens and withholding taxes;
 - (n) A statement that the contractor shall demonstrate it has established a drug-testing program for employees;

- (o) A statement that bid security in the amount of 10 percent of the bid shall be required for public improvement contracts where the amount of the contract exceeds \$25,000, statement shall include acceptable forms of bid security;
- (p) A statement that Bureau of Labor and Industries (BOLI) wages apply to the project;

If the public improvement contract has a contract value of more than \$75,000 the following is included in the solicitation document:

- (1) Within four working hours of the date and time of the deadline when the bids were due to the public contracting agency for a public improvement, a bidder shall submit to the public contracting agency a disclosure of any first-tier subcontractor that will be furnishing labor or materials in connection with the public improvement and whose contract value is equal to or greater than:
 - (a) Five percent of the total project bid or \$15,000, whichever is larger; or
 - (b) \$500,000, regardless of the percentage of the total project bid.
 - (c) The disclosure of the first-tier subcontractors shall include:
 - a. The name and address of each subcontractor;
 - b. The registration number assigned to the subcontractor by the Construction Contractors Board if the subcontractor is required to have a certificate of registration issued by the board; and
 - c. The amount of the contract of the subcontractor.
 - (d) For each contract to which this subsection applies, the public contracting agency shall designate a deadline for submission of bids that has a date and time that is on Monday through Thursday or that is on Friday prior to 12 noon.

A schematic detailing the flow of the public improvement process can be found in Section II. Public Improvement bid documents tend to be large in nature. For examples of bid documents please contact Brice Perkins at 774-2758, or Kathy Ameral at 774-2036.

MAINTENANCE CONTRACT
(Not for Construction, Reconstruction or Major Renovation)

THIS AGREEMENT, made and entered into in duplicate this _____ day of _____, 2002, by and between the City of Medford, Oregon, a municipal corporation of the State of Oregon, hereinafter termed "CITY" and Overstreet Landscape & Hydroseeding, Inc., hereinafter termed the "CONTRACTOR".

WITNESSETH:

I. THE WORK.

The Contractor, in consideration of the payments to be made to him by the City, in the manner and at the times hereinafter provided, and of the covenants and agreements hereinafter contained, hereby agrees for himself, successors, and assigns to furnish all materials and labor for:

Provide all labor, supervision, equipment, and materials necessary for planting 156 trees at twenty-one (21) various sites throughout the City of Medford, by December 13, 2002. Cost to plant each tree is \$162.59, for a total contract value of \$25,364.04 and to furnish all necessary machinery, tools, apparatus, materials and labor and to do the said work in the most substantial and workmanlike manner according to the general provisions, general specifications and special provisions hereto attached, and the plans therefore on file in the office of the City Manager of the said City of Medford, Oregon, and in accordance with such modifications of the same and other directions as may be made by the Parks & Recreation Director as provided for therein.

It is agreed that said plans, specifications and provisions, and the schedule of rates and prices during the course of the project as set forth in the proposal and in the said provisions and specifications, are hereby specifically referred to and made a part of this contract, and shall have the same force and effect as though all the sums and provisions thereof were fully inserted herein.

II. CONDITIONS CONCERNING PAYMENT OF LABORERS AND MATERIALMEN, CONTRIBUTIONS TO INDUSTRIAL ACCIDENT FUND, LIENS AND WITHHOLDING TAXES (ORS 279.312).

The Contractor shall:

- (1) Make payment promptly, as due, to all persons supplying to such Contractor labor or material for the prosecution of the work provided for in such contract.
- (2) Pay all contributions or amounts due the Industrial Accident Fund from such contractor or subcontractor incurred in the performance of the contract.
- (3) Not permit any lien or claim to be filed or prosecuted against the state, county, school district, municipality, municipal corporation or subdivision thereof, on account of any labor or material furnished.

(4) Pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

III. CONDITION CONCERNING PAYMENT OF CLAIMS BY PUBLIC OFFICERS (ORS 279.314).

It is a condition of this contract and agreed that should the Contractor fail, neglect, or refuse to make prompt payment of any claim for material, labor or services furnished by any person, firm or corporation, in connection with this contract, as said claim becomes due, whether for material or services performed for the Contractor or subcontractor, then and in such event, the proper officers representing the City may, at its election, pay such services, and charge the amount thereof against funds due, or to become due said Contractor, by reason of this contract, but the payment of any such claims in the manner herein authorized, shall not relieve the Contractor or his surety from his or its obligation with respect to any unpaid claims.

IV. CONDITION CONCERNING HOURS OF LABOR (ORS 279.316).

Contractor agrees that no person shall be employed more than eight hours in any one day, or forty hours in any one week, except in case of necessity, emergency, or where the public policy absolutely requires it, and in such cases the laborer shall be paid at least time and a half pay for all overtime in excess of eight hours a day and for work performed on Saturday and on any legal holiday specified in ORS 279.334.

V. CONDITION CONCERNING WORKERS COMPENSATION AND MEDICAL BENEFITS (ORS 279.320).

All employers working under this contract are subject to the workers compensation laws of the State of Oregon and must comply with ORS 656.017.

The Contractor further agrees promptly as due, to make payment to any person, firm, corporation, company, partnership, or association furnishing medical, surgical and hospital care or other needed care and attention incident to sickness or injury to the employees of the Contractor, or all sums which the Contractor agrees to pay for such services and all monies and sum which the Contractor may or shall deduct from the wages of his employees for such services pursuant to the terms of Oregon Revised Statutes Chapter 656 relating thereto, and any contract entered into pursuant thereto, or collected or deducted from the wages of said employees, pursuant to any law, contract or agreement, for the purpose of providing or paying for such service.

VI. CONDITION RELATING TO PAYMENT OF MINIMUM WAGE RATES AND PAYMENT OF FEES TO BOLI (ORS 279.352):

If the contract price exceeds \$25,000, the Contractor, subcontractor or other person doing or contracting to do the whole or any part of the work contemplated by the contract shall pay all workers, in each trade or occupation employed in the performance of the contract not less than the minimum hourly rate of wage specified in the attached wage schedule.

Also, if the contract price exceeds \$25,000, the contractor shall pay a fee equal to one-tenth of one percent (.1 percent) of the price of this contract, but not less than \$100 nor more than \$5,000, regardless of the contract price. The fee shall be paid on or before the first progress payment or 60 days from the date work first began on the contract, whichever comes first. The fee is payable to the Bureau of Labor and Industries and shall be mailed or otherwise delivered to the Bureau at the following address: Bureau of Labor and Industries, Wage and Hour Division, Prevailing Wage Unit, 800 N.E. Oregon Street, #32, Portland, OR 97232.

This condition does not apply to contracts regulated under the Davis-Bacon Act (40 U.S.C. 276a). Notwithstanding such regulation, contractors and subcontractors shall pay individuals employed as flaggers on such projects not less than the prevailing rate of wage as determined by the Bureau of Labor and Industries for that classification of work. As used in this paragraph, a “flagger” means a person who controls the movement of vehicular traffic through construction projects using sign, hand or flag signals.

VII. CONTRACTS GOVERNED BY FEDERAL LAW.

Notwithstanding any other provision hereof, any applicable federal laws, rules or regulations are to govern in any case where federal funds are involved and the federal laws conflict with any provision hereof. Where applicable, the Contractor will comply with the attached conditions regarding federally funded projects.

VIII. INDEMNITY AND COMPLIANCE WITH LAWS AND REGULATIONS:

The Contractor agrees that he will be solely responsible for any damage or trespass to or upon adjacent property or injury thereto and any and all other liability or damages resulting from or in connection with his operation, and that he will hold the City harmless from any claim, liability, damages or obligation arising therefrom and indemnify the City of Medford for the amount of any obligation it may incur on account thereof or arising therefrom. Provided, however, that Contractor shall not be required to indemnify the City against liability for damage arising out of death or bodily injury to persons or damage to property caused in whole or in part by the negligence of the City, except to the extent that the death or bodily injury to persons or damage to property arises out of the fault of the Contractor or the Contractor’s agents, representatives or subcontractors.

The Contractor shall at all times observe and comply with all federal and state laws and local ordinances and regulations, in any manner affecting the conduct of the work, and all such orders or decrees as exist at the present and those which may be made or enacted later by bodies or tribunals having any jurisdiction or authority over the work, and shall indemnify and save harmless the City and all its officers, agents and servants against any claim or liability arising or based on the violation of any such law, ordinance, regulation, order or decrees, whether by himself or his employees.

IX. DEFAULT.

If the Contractor fails to begin the work under the contract within the time specified, or fails to perform the work with sufficient workmen or equipment or with sufficient materials to insure the prompt completion of said work, or shall neglect or refuse to

remove and replace materials or work that have been rejected as defective or unsuitable, or shall discontinue the prosecution of the work or if the Contractor shall become insolvent or declared bankrupt, or commit any act of bankruptcy or insolvency, or allow any final judgment to stand against him unsatisfied for a period of forty-eight hours, or shall make an assignment for the benefit of creditors, or from any other cause whatsoever, shall not carry on the work in an acceptable manner, the Parks & Recreation Director shall give notice in writing to the Contractor and his surety of such delay, neglect or default, specifying the same, and if the Contractor, within a period of ten days after such notice shall not proceed in accordance therewith, then the City in addition to the rights and remedies to which the City may be entitled by law for the enforcement of its rights hereunder or upon breach of covenant shall have full power and authority, without violating this contract, to take the prosecution of the work out of the hands of said Contractor, to appropriate or use any or all of the materials and equipment on the ground that may be suitable and acceptable and may award a contract for the completion of this contract according to the terms and provisions hereof, or use such methods as in its opinion shall be required for the completion of said contract, in an acceptable manner. All costs and charges incurred by the City together with the costs of completing the work under the contract, shall be deducted from any money due or which shall become due said Contractor. In case the expense so incurred by the City shall be less than the sum which would have been payable under the contract, if it had been completed by the Contractor hereunder, then the said Contractor shall be entitled to receive the difference less any damages for delay to which the City may be entitled, and in case such expense shall exceed the sum which would have been payable under the contract, the Contractor and the surety shall be liable and agree to and shall pay the City the amount of said excess with damages for delay of performance, if any. The Contractor shall not make any disposition of the plant, machinery, tools, appliances, supplies or materials used on or in connection with the work, whether by sale, covenants, or encumbrance, inconsistent with the provisions of this contract. The contract may be canceled at the election of the City for any failure or refusal on the part of the Contractor to faithfully perform this contract according to its terms and conditions.

X. PAYMENTS TO CONTRACTOR.

In consideration of the faithful performance of the work herein embraced and provided for, as set forth in this contract, general specifications and special provisions, notice to contractors, instructions to bidders, proposal, general and detailed specifications, and plans which are a part thereof, in accordance with the directions of the Parks & Recreation Director and to his satisfaction, the City agrees to pay to said Contractor the amount earned by him under said contract, as provided in the general specifications and special provisions hereto annexed. All payments will be made at the times and in the manner provided in the general and special provisions incorporated herein and in accordance with the regulations of the City in regard to the payment of claims, which regulations provide, among other things, that all claims against the City shall be submitted to the City upon vouchers.

XI. INSURANCE

During the life of this Agreement, CONTRACTOR shall maintain the following minimum insurance:

- (1) Commercial general liability insurance, including personal injury liability, blanket contractual liability, and broad-form property damage liability coverage. The following minimum limits are required: General Aggregate- \$1,000,000; Products/Completed Operations Aggregate- \$1,000,000; Personal & Advertising Injury Aggregate- \$1,000,000; Each Occurrence- \$500,000. "The City of Medford and its officers, employees and agents while acting within the scope of their duties as such" shall be a named Insured.
- (2) Commercial automobile bodily injury and property damage liability insurance covering owned, non-owned, rented and hired autos. The combined single limit for bodily injury and property damage shall be not less than \$500,000. "The City of Medford and its officers, employees and agents while acting within the scope of their duties as such" shall be a named Insured.
- (3) Statutory workers compensation and employers liability insurance as required by State law.

Coverages 1 and 2 shall be written on an occurrence basis, not on a claims made basis. CONTRACTOR shall submit to CLIENT certificates of insurance for all policies listed above. The certificates shall provide that the insurance company gives written notice to CLIENT at least ten (10) days prior to cancellation of or any material change in the policy.

IN WITNESS WHEREOF, the said City of Medford has caused this contract to be executed for and in its behalf by its Mayor and City Recorder, and the corporate seal of said City to be hereunto affixed on the day and year first hereinabove written, and at the same time the said Contractor has subscribed his name and affixed his seal (if any) hereto in duplicate the day and year first above written.

CITY OF MEDFORD, OREGON

By _____
City Manager

By _____
City Recorder

Contractor

By _____

By _____

The foregoing contract was
executed in our presence as:
WITNESSES:

RFP ANNOUNCEMENT

CITY OF MEDFORD
411 West 8th Street
Medford, Oregon 97501

REQUEST FOR PROPOSAL NO. RFP3-600ED

Sealed proposals for the proposed selection of a qualified consultant or consulting firm to provide the City of Medford with an Economic Market Analysis. Provide information that will increase the understanding of market forces within Medford and its surrounding environs. Proposals will be received by the City of Medford, by Kathy Ameral, Purchasing Manager, 411 W. 8th Street, Room 253, Medford, Oregon 97501, until 2:00 p.m., local time, July 26, 2002.

As soon thereafter as possible, the proposals will be opened publicly.

DESCRIPTION: Provide the City of Medford with an Economic Market Analysis. Provide information that will increase the understanding of market forces within Medford and its surrounding environs.

A set of such Request for Proposal documents may be obtained from the office of the Purchasing Manager, 411 West 8th Street, Room 253, Medford, Oregon 97501, or by calling (541) 774-2035.

The City of Medford may reject any proposal not in compliance with all prescribed public bidding procedures and requirements and may reject for good cause any and all proposals upon a finding of the City it is in the public interest to do so. The City also reserves the right to waive any informality in any proposal and to delete certain items listed in the proposal as set forth herein.

Proposals received after the time established for receiving proposals will not be considered.
FACSIMILE PROPOSALS ARE NOT ACCEPTABLE.

The City of Medford programs, services and activities are open to all persons without regard to race, sex, age, handicap, religion, ethnic background or national origin. For further information about this equal opportunity policy, contact the Human Resources Department of the City of Medford, (541) 774-2010.

Kathy Ameral, Purchasing Manager

SECTION II - INSTRUCTIONS TO PROPOSERS

PROPOSAL PREPARATION

Proposal Format: Proposals must be typewritten or prepared in ink and must be submitted on the form provided in the Request for Proposal. No oral, telegraphic, telephone or facsimile proposals will be accepted.

Conformance to Proposal Requirements: Proposals must conform to the requirements of the Request for Proposal. All necessary attachments (residency statement, bid bond, references, descriptive literature, etc.) must be submitted with the proposal and in the required format. Proposal prices must be for the unit indicated in the proposal. Failure to comply with all requirements may result in proposal rejection.

Exceptions: Any deviation from proposal specifications, terms and conditions may result in proposal rejection.

Time of Completion: Contractor shall be able to start within ten (10) days of contract. Agreement period shall commence on or before August 1, 2002 and shall have 60 days to complete the analysis.

Signature on Proposal: An authorized representative of the proposer must sign Proposals in ink. Signature on a proposal certifies that the proposal is made without connection with any person, firm or corporation making a proposal for the same goods and/or services and is in all respects fair and without collusion or fraud.

Signature on a proposal also certifies that the proposer has read and fully understands all proposal specifications, terms and conditions. No consideration will be given to any claim resulting from bidding without comprehending all requirements of the Request for Proposal.

Proposal Modification: Modifications or erasures made before the person signing the proposal must initial proposal submission in ink. Proposals, once submitted, may be modified in writing before the time and date set for proposal closing. Any modifications shall be prepared on a company letterhead, signed by an authorized representative, and state that the new document supersedes or modifies the prior proposal. Modifications must be submitted in a sealed envelope clearly marked "Proposal Modification" and identifying the proposal number and closing date. Proposer may not modify proposals after proposal closing time.

Proposal Withdrawals: Proposals may be withdrawn in writing on a company letterhead signed by an authorized representative and received by the Purchasing Manager prior to proposal closing time. Proposals may also be withdrawn in person before proposal closing time upon presentation of appropriate identification.

Protest of Proposal Specifications: A proposer who believes proposal specifications are unnecessarily restrictive or limit competition may submit a protest, in writing, to the Purchasing Manager. To be considered, protests must be received at least five (5) days before the proposal closing date (ten (10) days if the proposal is for a public improvement). Envelopes containing protests should be marked as follows:

Proposal Specification Protest
Proposal Number Closing Date

Proposal Submission: Sealed proposals must be received and time-stamped by the Purchasing Manager prior to proposal closing time. No proposal received after proposal closing time will be considered. To ensure proper identification and handling, all proposals must be submitted in a sealed envelope bearing the orange proposal label furnished with the Request for Proposal. The Purchasing Manager shall not be responsible for the proper identification and handling of any proposal not submitted in an envelope bearing the proposal label provided.

Proposal Opening: Proposals will be opened at the scheduled opening time in the Purchasing Manager's office (unless otherwise specified), second floor, Room 253, 411 W. 8th Street, Medford, Oregon 97501. Proposer may be present; however, award decisions will not be made at the opening.

Evaluation Criteria: Proposals will be awarded based upon the evaluation criteria set forth in the Request for Proposal, by the City Manager or City Council (whichever is applicable) based on the recommendations received from the selection committee.

Award: The contract will be awarded to the proposer who, in the opinion of the City Manager or City Council (whichever is applicable), offers the best combination of price and performance and meets all requirements of the specifications.

Proposal Rejection: The City reserves the right to reject any and all proposals.

Reciprocal Preference: In the event price, fitness, availability and quality are otherwise equal, the City, in determining the "lowest responsible proposer," will add a percent increase to each out-of-state proposer's proposal price which is equal to the percent given to a local proposer in that proposer's home state. For example, if the "lowest responsible proposer" is from a state that grants a 10 percent preference to a local proposer, the City of Medford will add 10 percent to that proposer's price when evaluating the proposal.

Cash Discounts: Cash discounts will not be considered for award purposes unless stated in the proposal documents.

Payment: Proposals that require payment in less than 30 days after receipt of invoice or delivery of goods or services, whichever is later, may be rejected.

Proposal Results: Ordinarily, only proposer who receives awards will be notified of proposal results; unsuccessful proposer will not be notified. Proposer may request tabulation of awarded proposals.

Proposal files are public records and available for review at the Purchasing Office between 9:00 a.m. and 11:00 a.m. and 2:00 p.m. and 4:00 p.m. Monday through Friday.

Equal Opportunity: Any qualified proposer can be assured that their proposal will receive fair and equitable consideration without regard to race, color, religion, sex, national origin or handicap.

Asbestos: This project does not contain asbestos abatement work and the contractor or (any) subcontractor will not be required to be licensed by the Department of Environmental Quality. (Ref. ORS 468.883.)

Contact: Direct questions regarding the requirements stated within this document to:

Bill Hoke, Economic Development Coordinator
City of Medford, Oregon - (541) 774-2000

SECTION III - REQUEST FOR PROPOSAL

This is a Request for Proposal to provide the City with an Economic Market. Provide information that will increase the understanding of market forces within Medford and its surrounding environs as outlined in SECTION VI, DETAILED SPECIFICATIONS.

EVALUATION CRITERIA: A screening committee so designated by the City Manager, on the following criteria, shall evaluate Proposals:

- 1) Process and methodology used in performing work,
- 2) References,
- 3) Prior experience in performing similar work,
- 4) Ability to communicate effectively, orally and in writing,
- 5) Cost.

AWARD: The contract will be awarded to the Proposer who, in the opinion, of the City Manager or City Council (whichever is applicable) offers the best combination of price and performance, and meets all required specifications.

SECTION IV - PROPOSAL SUBMISSION FORM

I, the undersigned, submit the following proposal to provide the City with an Economic Market. Provide information that will increase the understanding of market forces within Medford and its surrounding environs.

Proposer's Signature: _____

Company Name: _____

Address: _____

Phone: _____

Fax Number: _____

E-mail Address: _____

SECTION V - RESIDENT BIDDER CERTIFICATE

Oregon Revised Statutes, Compliance:

"Resident Bidder" Certification:

_____ Yes, I certify that I am a "resident bidder." (ORS 279.029(6)(b) defines a "resident bidder" as a bidder that has paid unemployment taxes or income taxes in the State of Oregon during the twelve (12) calendar months immediately preceding submission of the bid, has a business address in the state and has stated in the bid whether the bidder is a "resident bidder.")

_____ No, I am not a "resident bidder." ("Nonresident bidder" means a bidder who is not a "resident bidder" as defined in Paragraph (b) Subsection (6), ORS 279.029.)

I am domiciled in the State of _____.
Indicate State

SECTION VI - DETAILED SPECIFICATIONS

The following are **minimum** specifications.

1.0 Scope of Services

The City of Medford is requesting proposals for a qualified consultant or consulting firm to provide the City of Medford with an Economic Market Analysis. Provide information that will increase the understanding of market forces within Medford and its surrounding environs.

1.1 Economic Development Element:

1.1.1 Contractor shall review available industrial sites in relationship to sizes and numbers and vacancies and project the need for industrial land and building types to address the relationship to local and regional demands.

1.1.2 Contractor shall review available commercial sites, inventory commercial vacancies and project the need for and best location for any additional commercial projects.

1.1.3 Contractor shall address the relationship to downtown and its market role in commercial needs and utilization

1.1.4 Contractor shall inventory Brownfields within the City limits.

1.2 Contractor shall submit a comprehensive report, which encompasses all of the stated elements listed above.

1.3 In doing the above the contractor shall consider data and information for Potential Future Growth Areas from the Regional Problem Solving Project.

2.0 Agreement Period

2.1 Work will commence within ten (10) days from the date the initial contract is signed. Contract shall commence on or before August 1, 2002. The contract deliverables are due 60 days from the date of the contract.

3.0 Payment

3.1 Invoices to itemize services rendered by Major Product and reimbursable expenses.

4.0 Review and Selection Process

- 4.1 A committee, so designated by the Economic Development Coordinator, will review all proposals. From this review, up to three (3) applicants may be selected for a personal interview, in Medford, with the screening committee. Interviews, if required, will last approximately one (1) hour and will include detailed questions regarding methodology, qualifications, and relevant work experience.
- 4.2 Applicants will be rated as to the quality of their written and oral communications.
- 4.3 Contract will be negotiated with Finalist.
- 4.4 The screening committee will recommend to the City Manager or City Council the highest rated applicant(s). The City Manager or City Council (whichever is applicable) will make the final selection and award the contract.

5.0 Information Required in Proposal

- 5.1 Cost: Show costs itemized with a total cost "**Not to Exceed.**" Show Hourly Rate Schedule. Include time, materials, travel, and other expenses, which may be associated with the duties and obligations under this Request for Proposal. All Costs must be identified.
- 5.2 Qualifications: A statement of particular expertise and experience in performing government relation's services.
- 5.3 Contractor shall provide a brief overview of the history and structure of the firm. Attach an organizational chart of the office that will be providing the service to the City.
- 5.4 Resume(s): With education background, including all degrees and certifications earned, and work history for each team member or consulting firm performing work under the scope of this request for proposal.
 - 5.4.1 Indicate the number of projects which will be managed by this person during the time Contractor will be managing this project.
- 5.5 Contractor shall provide a listing of other individuals on the team that would support the completion of this project, with a summary of each team member's area of responsibility, expertise, experience, and qualification for this work.
- 5.6 References: A minimum of five (5) references for public sector work completed within the last three (3) years. List contact name, address, phone number, fax number, and E-mail address for each reference.

- 5.7 We reserve the right to investigate the references and the past performance of any applicant with respect to its successful performance of similar projects, compliance with specifications and contractual obligations, and its completion of a project on schedule.
- 5.8 Applicants must submit one (1) clearly marked "**Original**" and three (3) copies of their proposal.
- 5.9 The City reserves the right to solicit additional information from applicants should the City deem such information is necessary during the evaluation process.

6.0 Contract

- 6.1 A **SAMPLE** Personal Services Contract is attached as Exhibit A.

EXHIBIT A

SAMPLE PERSONAL SERVICES CONTRACT

for
(Name Of Project)

THIS AGREEMENT, made this ____ day of _____, 20____, by and between _____, (hereinafter referred to as "CONTRACTOR"), and CITY OF MEDFORD, a municipal corporation (hereinafter referred to as "CLIENT").

WITNESSETH:

WHEREAS, the CLIENT desires to engage the CONTRACTOR to render certain technical and/or professional services hereinafter described in connection with _____ and;

WHEREAS, the CONTRACTOR is qualified and agreeable to render the aforesaid technical and/or professional services;

NOW, THEREFORE, for and in consideration of the foregoing and of the mutual promises hereinafter expressed, and intending to be legally bound hereby, the parties hereto do mutually agree as follows:

Article 1. Engagement of CONTRACTOR

The CLIENT hereby agrees to engage the CONTRACTOR to perform the technical and/or professional services as hereinafter set forth. CONTRACTOR is not an employee of the CLIENT.

Article 2. Scope of Services

The CONTRACTOR shall perform the services set forth in Exhibit A, entitled Scope of Services, attached hereto and by reference incorporated herein and made a part hereof. CONTRACTOR is employed to render a professional service only, and any payments made to the CONTRACTOR are compensation solely for such services rendered and recommendations made in carrying out the work. Except as otherwise agreed by the parties, CONTRACTOR shall follow the usual and customary practice of the Personal profession to make findings, provide opinions, make factual presentations, and provide professional advice and recommendations.

Article 3. Data to be Furnished

All information, data, reports and records and maps as are existing, available and necessary for the carrying out of the work as outlined in Exhibit A hereof shall be made available to the CONTRACTOR without charge by the CLIENT, and the CLIENT shall cooperate in the carrying out of the work without undue delay.

Article 4. Personnel

- A. The CONTRACTOR represents that it employs, or will employ at its own expense, all personnel required in performing the services under this Agreement.
- B. All of the services required hereunder will be performed by the CONTRACTOR or under his direct supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such services.
- C. CONTRACTOR shall be responsible to ensure that it and any subcontractors comply with all applicable Federal, State and local laws regarding employee wages, hours, benefits, health care, and workers compensation, and shall ensure that all expenses and claims related thereto are paid promptly. The provisions of ORS 279.312 to 279.316 and 279.320 are attached hereto as Exhibit ___ and incorporated herein by reference.
- D. None of the work or services covered by this Agreement shall be subcontracted without the prior written approval of the CLIENT except: _____.

Article 5. Time of Performance

The services of the CONTRACTOR are to commence within _____ after the date of this Agreement. The work shall be completed in accordance with the schedule developed by the parties hereto and contained in the schedule of performance and all work covered by this Agreement shall be completed within _____ from the date of this Agreement.

Article 6. Compensation

The CLIENT shall compensate the CONTRACTOR in accordance with the Schedule of Charges and Payment Schedule set forth in Exhibit B, which shall include the basis for rates and charges. Compensation shall be billed monthly in summary form giving employees names and hours and expense data. Payment to CONTRACTOR is due upon presentation of invoice to CLIENT and is to be made within thirty (30) days.

Article 7. Changes

The CLIENT may from time to time request changes in the scope of the services and the time of performance as set forth herein. Such changes, including any increase or decrease in the amount of compensation to the CONTRACTOR, shall be mutually agreed upon by and between the parties hereto and shall be incorporated as written amendments to this Agreement.

Article 8. Extras

Except as otherwise provided herein, no payment for extras shall be made unless and until such extras and the price therefore have been authorized in writing in advance.

Article 9. Suspension of Work

CLIENT may suspend, in writing, all or a portion of the work under this Agreement if unforeseen circumstances beyond CLIENT's control make normal progress of the work impossible. CONTRACTOR may request that the work be suspended by notifying CLIENT, in writing, of circumstances that are interfering with the normal progress of work. CONTRACTOR may suspend work on Project in the event CLIENT does not pay invoices when due. The time for completion of the work shall be extended by the number of days work is suspended. If the period of suspension exceeds ninety (90) days, the terms of this Agreement are subject to renegotiation, and both parties are granted option to terminate work on the suspended portion of Project in accordance with Article 10.

Article 10. Termination of Work

CLIENT may terminate all or a portion of the work covered by this Agreement for its convenience. CLIENT or CONTRACTOR may terminate work if the other party fails to perform in accordance with the provisions of this Agreement by providing fifteen (15) days prior, written notice to the other by certified mail with receipt for delivery returned to the sender.

In that event, all finished or unfinished documents and other materials shall, at the option of CLIENT, become its property. If requested by CLIENT, CONTRACTOR shall perform such additional work as is necessary for the orderly filing of documents and closing of Project. The time spent on such additional work shall not exceed ten (10%) percent of the time expended on the Project prior to the effective date of termination. CONTRACTOR shall be compensated for work on the Project, plus work required for filing and closing as described in this Article, either of which is performed up to the effective date of termination; provided, however, that CLIENT shall not be required to pay for work that is not done in substantial compliance with requirements of this contract and CONTRACTOR shall be liable to CLIENT for any damages resulting from CONTRACTOR'S breach of its obligations under this contract.

Article 11. Interest of the CONTRACTOR

The CONTRACTOR hereby covenants that it has, at the time of the execution of this Agreement, no interest and that it shall not acquire any interest in the future, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed pursuant to this Agreement. The CONTRACTOR further covenants that in the performance of this work no person having any such interest shall be employed.

Article 12. Findings Confidential

No report, information, or other data given to or prepared or assembled by the CONTRACTOR pursuant to this Agreement which the CLIENT has requested be kept confidential, shall be made available to any individual or organization by the CONTRACTOR without the prior written approval of the CLIENT.

Article 13. Subletting or Assignment

Neither of the parties hereto shall assign, sublet or transfer his interest in this Agreement or any portion thereof without the prior written consent of the other.

Article 14. Rights to and Disposition of Data

The term "subject data" as used herein includes all data, written materials, photographs, drawings or other information collected or created under this Agreement whether delivered under this Agreement or not. The term does not include financial records, accounting records or other information incidental to the administration of this Agreement. All subject data shall be retained by the CONTRACTOR, in accordance with the terms of this Agreement, until disposition of such subject data shall have been determined in a manner mutually agreeable to the parties hereto. Subject data shall be available for study and utilization by the CLIENT so long as such subject data is in the possession of the CONTRACTOR. Following termination or completion of the work pursuant to this Agreement, upon request, CONTRACTOR will make all subject data available for CLIENT on CLIENT's premises and the CLIENT may duplicate, use and disclose in any manner and for any purpose whatsoever all subject data.

Article 15. Federal Requirements and Provisions

If applicable, Federal requirements and provisions are attached hereto as Exhibit C. CONTRACTOR agrees to comply with such attached provisions.

Article 16. Insurance

During the life of this Agreement, CONTRACTOR shall maintain the following minimum insurance:

- (1) Commercial general liability insurance, including personal injury liability, blanket contractual liability, and broad-form property damage liability coverage. The following minimum limits are required: General Aggregate- \$1,000,000, Products/Completed Operations Aggregate- \$1,000,000, Personal & Advertising Injury Aggregate- \$1,000,000, Each Occurrence- \$500,000. "The City of Medford and its officers, employees and agents while acting within the scope of their duties as such" shall be a named Insured.
- (2) Commercial automobile bodily injury and property damage liability insurance covering owned, non-owned, rented, and hired autos. The combined single limit for bodily injury and property damage shall be not less than \$500,000. "The City of Medford and its officers, employees and agents while acting within the scope of their duties as such" shall be a named Insured.
- (3) Statutory workers compensation and employers liability insurance as required by State law.
- (4) Professional liability insurance. The limit of liability shall be not less than \$500,000.

Coverages 1 and 2 shall be written on an occurrence basis not on a claims made basis and satisfactory "tail" coverage shall be provided for coverage 4. CONTRACTOR shall submit to CLIENT certificates of insurance for all policies listed above. The certificates shall provide that the insurance company give written notice to CLIENT at least ten (10) days prior to cancellation of or any material change in the policy.

Article 17. Partial Invalidity

If any term, covenant, condition, or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby.

Article 18. Integration

This Agreement represents the entire understanding of CLIENT and CONTRACTOR as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered herein. This Agreement may not be modified or altered except in writing signed by both parties.

Article 19. Jurisdiction

This Agreement shall be administered and interpreted under the laws of the State of Oregon. Jurisdiction of litigation arising from this Agreement shall be in that state.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed by their proper officers the day and year first above written.

CITY OF MEDFORD

ATTEST: _____

By: _____

Title: _____

CONTRACTOR

By: _____

Title: _____

Exhibit B

STATUTORY PUBLIC CONTRACT PROVISIONS

279.312 Conditions of public contracts concerning payment of laborers and material men, contributions to Industrial Accident Fund, liens and withholding taxes.

Every public contract shall contain a condition that the contractor shall:

(1) Make payment promptly, as due, to all persons supplying to such contractor labor or material for the prosecution of the work provided for in such contract.

(2) Pay all contributions or amounts due the Industrial Accident Fund from such contractor or subcontractor incurred in the performance of the contract.

(3) Not permit any lien or claim to be filed or prosecuted against the state, county, school district, municipality, municipal corporation or subdivision thereof, on account of any labor or material furnished.

(4) Pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167. [Amended by 1953 c.131 §3; 1957 c.586 §14; 1965 c.26 §1; 1969 c.493 §76]

279.314 Condition concerning payment of claims by public officers.

(1) Every public contract shall also contain a clause or condition that, if the contractor fails, neglects or refuses to make prompt payment of any claim for labor or services furnished to the contractor or a subcontractor by any person in connection with the public contract as such claim becomes due, the proper officer or officers representing the state, county, school district, municipality, municipal corporation or subdivision thereof, as the case may be, may pay such claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due the contractor by reason of such contract.

(2) The payment of a claim in the manner authorized in this section shall not relieve the contractor or the contractor's surety from obligation with respect to any unpaid claims. [Amended by 1981 c.712 §5]

279.316 Condition concerning hours of labor.

(1) Every public contract shall also contain a condition that no person shall be employed for more than eight hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency, or where the public policy absolutely requires it, and in such cases, except in cases of contracts for personal services as defined in ORS 279.051, the laborer shall be paid at least time and a half pay for all overtime in excess of eight hours a day and for work performed on Saturday and on any legal holiday specified in ORS 279.334.

(2) In the case of contracts for personal services defined in ORS 279.051, the contract shall contain a provision that the laborer shall be paid at least time and a half for all overtime worked in excess of 40 hours in any one week, except for individuals under these contracts who are excluded under ORS 653.010 to 653.261 or under 29 U.S.C. sections 201 to 209 from receiving overtime. [Amended by 1967 c.167 §1; 1979 c.5 §1; 1989 c.572 §1]

279.320 Condition concerning payment for medical care and providing workers' compensation.

(1) Every public contract shall also contain a condition that the contractor shall promptly, as due, make payment to any person, copartnership, association or corporation, furnishing medical, surgical and hospital care or other needed care and attention, incident to sickness or injury, to the employees of such contractor, of all sums which the contractor agrees to pay for such services and all moneys and sums which the contractor collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing or paying for such service.

(2) Every public contract shall also contain a clause or condition that all employers working under the contract are subject employers that will comply with ORS 656.017. [Amended by 1967 c.359 §687; 1981 c.712 §6; subsection (2) enacted as 1989 c.684 §3]

SECTION IV - ACCOUNTS PAYABLES

➤ PAYMENT BY PURCHASE ORDERS

- * Assign a Purchase Order number before every purchase and provide to Vendor.
- * Utilize the “Comment” section on Purchase Orders. To assist with the scanning process, all Purchase Orders must state the fiscal year they are in (ie: FY 02/03). Other comments such as “Desk for Assistant Finance Director” are useful.
- * Indicate whether Capital Improvement Project or Bureau of Labor and Industry (BOLI) Wage Certification is required.
- * Once the merchandise/service is received:
 - ▶ Receive into system same day:
 - ▶ Notify Finance by e-mail or receiving report when processing invoice copies that have been forwarded to your department from Finance
 - ▶ Blanket Purchase Orders must be processed daily as purchases are made
- * Notify Vendor that all invoices should be mailed/delivered to Finance.
- * Payments will be made only on original invoices.
(*small invoices should be taped to 8 1/2 x 11 paper*)
- * Always use the “Prepaid & Add Freight” section of the purchase order or state “No Charge”.
- * Any inquiries regarding when vendors will be paid should be directed to Finance. Assumptions should not be made by any employee.
- * Any invoice, with problems where a partial payment is being requested, must be accompanied by information stating why and who you spoke to (Vendor) concerning the portion not being paid.
- * Use capital account number for capital purchases when unit cost is over \$1,000.
(*Effective July 1, 2003 capital purchase must be greater than \$5,000*)

➤ PAYMENT BY DISBURSEMENT REQUESTS (SEE PAGE #40)

- * Use only for:
 - ▶ Contracts with Retainage (also see “Payment of Contracts”)
 - ▶ Replenishing Petty Cash
 - ▶ Employee Advances
 - ▶ Employee Reimbursements (not for travel or meals)
 - ▶ Release of retainage, whether by Purchase Order or Disbursement Request
- * Provide proper account numbers
- * Indicate whether Capital Improvement Project or Bureau of Labor and Industry (BOLI) Wage Certification is required.
- * Provide proper approval signatures
- * Provide proper back-up (ie: original invoice, detailed receipts, etc)
(*all refunds should be completed with the “Refund Request” form*)

➤ **PAYMENT OF CONTRACTS**

Follow the same procedures for Purchase Orders and/or Disbursement Requests in addition to the following:

- * Deduct retainage (where applicable)
- * Provide backup (ie: original invoice, pay estimate, etc)
- * Provide proper signatures
- * Notify the City Recorder's office of each CIP payment by providing a copy of Purchase Order or Disbursement Request, and providing BOLI wage certifications, if appropriate.
- * All Capital Improvement Project contract payment requests should be numbered with payment number and purchase order number, if applicable. On final payment, notify CRO of total project amount.

➤ **PAYMENT OF PURCHASING CARDS (P-CARDS) (SEE APPENDIX B)**

- * Include original detailed receipt for every line item
(small receipts taped to 8 ½ x 11 paper)
- * Provide proper approval signatures
- * Provide proper account numbers
- * Verify that the Statement and Log match and all references are attached
- * All P-Card/Travel Administrative Regulations must be adhered to. There are no exceptions without City Manager approval.

➤ **PAYMENT OF TRAVEL EXPENSE REPORTS (SEE APPENDIX C)**

- * Must be received by Finance within 30 days of the event
- * Attach agenda/schedule
- * Attach original detailed receipts (exception: Per Diems)
(small receipts should be taped to 8 ½ x 11 paper)
- * Provide proper account numbers
- * Must be filled out completely and signed by employee and Department Head

➤ **YEAR END**

- * Purchase Orders and Invoices should be separated by Fiscal Year before they are received by Finance.
- * No pre-payment of conferences, etc in the current fiscal year for the following fiscal year, unless pre-payment involves significant cost savings for the City.
- * All Capital Purchases must be ordered prior to May 1st, with anticipated receipt by June 30th.



DISBURSEMENT REQUEST

<i>Pay To:</i>		
<i>Attn:</i>		
<i>Mailing Address:</i>		
<i>Mailing City/State/Zip:</i>		
<i>Purpose of Disbursement:</i>		
Accounting Distribution		
<i>Reference</i>	<i>Account Number</i>	<i>Account Amount</i>
Total Disbursement Amount:		\$ 0.00
Disposition of Check		
<i>Date Payment Required:</i>		
<i>Delivery Required:</i>	<input type="checkbox"/> <i>Mail:</i>	<input type="checkbox"/> <i>To Department/Name:</i>

Approvals:

Departmental Approval

Michael Dyal, City Manager (must also sign if \$10,000 plus)

Date

Date



REFUND REQUEST

Pay To:			
Attn:			
Mailing Address:			
Mailing City/State/Zip:			
Purpose of Refund:			
Receipt Number:		Check <input type="checkbox"/> Ck #	Cash <input type="checkbox"/> Receipt Date:
Accounting Distribution			
Reference	Account Number	Account Amount	
Total Refund Amount:			\$ 0.00
Disposition of Check			
Date Payment Required:			
Delivery Required:	<input type="checkbox"/> Mail:	<input type="checkbox"/> To Department/Name:	

Approvals:

Departmental Approval

Date

Michael Dyal, City Manager (must sign if \$10,000 plus)

Date



City of Medford
Administrative Regulation

Regulation No.: 85-8
Page: 1 of 1
Subject Area: Purchasing
Date of Issue: July 1, 2003
Supersedes: October 31, 1985

Title: CONTRACTING AND PURCHASING

Purpose

The purpose of this Administrative Regulation is to provide guidelines for contracting and purchasing by City employees. A recent undertaking by the Contract Deliverables committee has resulted in the development of a Contract/Purchasing Manual.

This manual provides a detailed interpretation of the City Council's (the local contract board) Contracting and Purchasing Code. It is the City Manager's expectation that all City staff involved in the contracting and purchasing functions will scrupulously follow the guidelines outlined in detail in this manual.

Approved:

 /s/ Michael Dyal
Michael Dyal, City Manager

 January 6, 2003
Date



City of Medford
Administrative Regulation

Regulation No.: 00-6
Page: 1 of 15
Subject Area: Purchasing
Date of Issue: August 24, 2000
Supersedes: (New)

Title: City of Medford Purchasing Cards

Purpose

The Purpose of this directive is to set forth the City's policy as it relates to purchasing cards.

Applicability

The provisions of this directive apply to all departments of the City of Medford which authorize employees to use purchasing cards to purchase goods, services, travel accommodations or for specific expenditures incurred under conditions approved by this directive.

In General

This directive is intended to accomplish the following:

- To promote operational efficiency in the procurement of goods and services for the City.
- To provide a convenient source for funding for employees who travel on behalf of the City.
- To supplement purchase orders, check requests and travel requests in accordance with the purchasing policy, travel policy, budget limitations and all other City ordinances and policies.
- To ensure appropriate internal controls are established within each department procuring with purchasing cards.
- To minimize the City's exposure to legal liability from inappropriate use of purchasing cards through training of card users.
- To ensure that purchasing card services are obtained in a competitive manner.

Department Authorization

Department directors may elect to use purchasing cards subject to this policy if they desire. Department directors will determine whether or not cards will be issued to individuals within a program. The City of Medford and the user's name and department will appear on the face of each purchasing card.

Spending Limits

Spending limits are as follows:

Single Purchase Limit – not to exceed \$1,000

30-day Limit – not to exceed \$5,000

Department heads may establish lower limits for their employees.

The total of a single purchase to be paid for using the card may be comprised of multiple items but cannot exceed the authorized single invoice limit. Purchases will be denied if the total purchase price exceeds the single invoice limit. Payments for purchases are not to be split on several tickets in order to stay within the single invoice limit.

Purchasing Card Use

The purchasing card is to be used for City purchases only and any other use will be grounds for disciplinary action. **Under no circumstance can the card be used for personal expenses.**

Use of the purchasing cards must meet the following conditions:

Purchasing cards may be used to purchase (1) items in stock from vendors necessary to continue the efficient operation of the City and deliverable within 30 days; (2) transportation (other than personal and motor pool vehicles), registration, accommodations or meals for approved business purposes.

All other tangible items must be acquired using a requisition/purchase order or contract.

Purchasing cards will not be used in conjunction with requisitions/purchase orders. Goods and services purchased through the use of a purchasing card will be paid on the purchasing card monthly billing, not a purchase order.

Employees are personally responsible for maintaining proper documentation. Detailed procedures are provided in Attachment A (How the Process Works and Questions and Answers). If for some extreme circumstance documentation is not available, the responsible employee must attach an explanation that includes a description of the item, date of purchase, merchant's name and why there is no supporting documentation. This must be signed by the department director. A pattern of missing documentation may result in revocation of purchasing card privileges.

Card Restrictions

The following list covers purchases for which purchasing card use is expressly prohibited:

- Personal Expenses
- Cash advances through bank teller or automated teller machines.
- Purchase of items purchased centrally unless required for immediate needs.
- Purchase of gasoline for personal vehicles.
- Computer software and hardware, except as noted below.
- Capital items (unit value in excess of \$1,000).

Department directors may add further restrictions to this list. Please refer to Attachment E (Violations and Consequences) for actions the City may pursue if the purchase card use is contrary to regulations.

Requests for Initial, Additional or Changes to Purchasing Cards

All requests for new cards or changes to cards will require a completed “Authorization To Issue a Purchasing Card” (Attachment B). The form will be processed through the Finance Department Purchasing section, which will in turn forward the request to the purchasing card issuer. All requests for purchasing cards must be approved by the Department Director.

When the purchasing card is received, the Purchasing Manager will notify the cardholder and the cardholder will be required to sign for the purchasing card. See Attachment C (Purchasing Card Agreement). The Purchasing Manager will provide orientation on the operation of the purchasing card program to each user.

Departments will pay an annual fee for each card issued as set forth in the purchasing card contract. In addition, departments will pay a card replacement fee for changes to or replacement of cards already issued.

Computer Software and Hardware

The Information Services Director shall retain authority over his staff’s ability to order software and/or hardware (unit cost less than \$1,000) with a purchasing card. Under no circumstances shall a purchasing card be used by any other City employee to order software or hardware.

Payment and Invoice Procedures

Each cardholder will receive a monthly purchasing card statement reflecting purchases made on their card via the Accounts Payable section of the Finance Department. The cardholder will review the statement, attach copies of all receipts received at the time of each purchase, any other appropriate documentation and will note any errors or discrepancies contained in the statement. Details of accounts to be charged must be attached to the front of the purchasing card statement,

sign and forward to the departmental approving official within three (3) workdays after it is received. Non-compliance may mean denial of future purchasing card use. Departments are urged to assign personnel other than cardholders to be responsible for reviewing and assigning account codes prior to submission to the approving official. This will strengthen internal controls at the department level for ensuring proper purchasing card use.

The departmental approving official will review statements and approve purchases. The approving official will sign the statement and forward to the Finance Department Accounts Payable section within two (2) working days after receipt from the cardholder or reviewing employee.

It will be the responsibility of the cardholder to provide his/her departmental approving official with the receipts for that month should travel or extended leave be scheduled at the time the statement is due and he/she will not be able to complete the statement. The approving official will complete a copy of the statement for the absent employee and the statement will be forwarded to the Finance Department Accounts Payable section with the rest of the cardholders' statements.

Interest charges and late fees resulting from untimely submission of Statement of Accounts will be charged to the responsible department. Interest will be charged at the rate of 1.34% per month. Late fees will be based on actual processing costs. Three (3) late submissions will result in card cancellation.

Approval

Approving officials are required to look at each cardholder's purchases and at the merchant who made the sale in order to determine if these items were for official use and if they were items allowed to be purchased in accordance with this policy and any departmental instructions provided. If for any reason the approving official questions the purchase(s), it is their responsibility to resolve the issue with the cardholder. If they cannot be satisfied that the purchase was necessary and for official use, then the cardholder must provide a credit voucher proving item(s) had been returned for credit, or a personal check for the full amount of that purchase. Resolution for improper use of the purchasing card will be the responsibility of the approving official's office as well as disciplinary action for misuse.

Disputes

If items purchased with the purchasing card are found to be defective or the repair or services faulty, then the purchase of the item will be considered to be in dispute. It is the responsibility of the cardholder to resolve the disputed item. For more specific instructions see Attachment D (Cardholder Statement of Disputed Item).

It is essential that the time frames and documentation requirements established by the purchasing card issuer be followed to protect the cardholder's rights in dispute.

Lost or Stolen Purchasing Cards

Should a purchasing card be lost or stolen it is the responsibility of the cardholder to immediately notify their approving official, the purchasing card issuer and Finance Department Purchasing section of the lost or stolen purchasing card WITHIN ONE (1) WORK DAY after discovery of the loss or theft of the card. The approving official or their designee will be required to make a written report to the Finance Department Purchasing section WITHIN FIVE (5) WORK DAYS that will include the complete information on the loss, the date the loss was discovered, the location where the loss occurred (if known), the purchases that the cardholder had made prior to the loss, and any other information relevant to the situation.

Terminating/Transferring Employee

Purchasing cards issued to individual employees must be collected and destroyed at the time the employee terminates employment. The approving official in the department will be responsible to collect cards and destroy cards (cut them in half) and submit the destroyed cards to the Finance Department Purchasing section. The Finance Department will contact the financial institution that issued the card and notify them the card has been destroyed.

Should a card holder be transferred within the City to another approving official's area of responsibility, it will be the new approving official who will determine if the cardholder should be issued a new purchasing card.

In the event the approving official is unable to collect the purchasing card when an employee leaves, the approving official shall notify the Finance Department Purchasing section immediately by telephone and follow-up with a memo to take action to insure the purchasing card is voided. The Purchasing section will notify the card issuer to void the purchasing card to prevent any future purchases.

Quarterly Inventory of Purchasing Cards

On a quarterly basis, the Finance Department Purchasing section will provide a list of purchasing cards issued to employees for each department. Departments will conduct a physical inventory of purchasing cards and provide a report to the Finance Department Purchasing section of the results of the inventory.

Purchasing Card Services

Purchasing card services will be obtained through a competitive selection process. Services should be evaluated every two years.

Approved:

/s/ Michael Dyal
Michael Dyal, City Manager

8/24/00
Date

HOW THE PROCESS WORKS

STEP 1 – MAKE A PURCHASE

Most purchases will be made in person at a local store, similar to using your personal purchasing card. However, you may also make purchases over the telephone or by fax, mail or the Internet. Each cardholder is required to maintain a monthly log of purchases “P-Card Transaction Log” (see Attachment G) along with appropriate receipts and documentation filed in manila envelope attached to the monthly log.

STEP 2 – RECEIVE THE GOODS

After the goods are picked up or delivered and received, it is important to retain the receipt or shipping ticket. Every purchase, including Internet purchases, must be documented with a receipt, which will be in the form of a sales receipt, packing slip, order form or registration application. You need to keep all receipts and charge slips for reconciliation of your monthly statement.

The cardholder is responsible for working with the vendor to correct any problems, exchanges or credits. **YOU MAY NOT ACCEPT A CASH CREDIT.**

STEP 3 – MONTHLY RECONCILIATION PROCESS

- A. Use your original receipts to verify that all charges on the monthly statement from Bank of America were purchases made by you. The purpose of reconciling receipts to the monthly statement is to ensure there are no billing errors on your account. The statement from Bank of America should be crosschecked with the cardholder’s P-Card Transaction Log. Reconciliation will disclose purchase or credit entries on the account for which there are no receipts (such as when there are incorrect charges or lost receipts). Reconciliation will also reveal purchase receipts or credit vouchers that have not yet posted to the account due to timing differences.

Complete a “Cardholder’s Statement of Disputed Item” (see Attachment D) if the problem cannot be resolved with the vendor. The form can be found in the back of this handbook. The statement must be filed with Bank of America within 60 days of the monthly statement bearing the charge. You may also call Bank of America at their toll-free customer service number to have them help resolve the problem. Any unresolved problems should be brought to your Department Liaison and the Program Administrator. You and your Department Liaison are responsible to resolve the problems.

HOW THE PROCESS WORKS **(Continued)**

The following may be formally questioned with Bank of America if not resolved at the vendor level:

- Unauthorized or unrecognized charges
- Difference in the purchase amount you authorized and the amount charged
- Duplicate charges
- Failure to receive a credit
- Failure to receive the goods
- Defective merchandise replacement

- B. After the reconciliation is complete, the cardholder signs and dates each P-Card Transaction Log, attaches all original receipts, and/or other source documents (copy of internet screen order; registration form, packing slip etc.) to the statement. Small receipts and documents must be attached to an 8 ½ x 11 sheet of paper to make handling easier and to prevent loss. The Log and all related receipts are then passed on to the cardholder's Approving Official.

STEP 4 – APPROVAL OF PURCHASES

The Approving Official shall review the P-Card Transaction Log and receipts to confirm that all purchases are reasonable and in accordance with City policies and procedures. Once the Approving Official signs and dates the cardholder's transaction log, the log and all related receipts and source documents will be forwarded to the Department Liaison, who ensures that all cardholder statement with all receipts and other source documents attached are forwarded to the Finance Department Accounts Payable section for final review and payment. Documentation is to be forwarded to the Finance Department Accounts Payable section within two (2) working days after receipt from the cardholder or reviewing employee.

QUESTIONS & ANSWERS

How do I handle returns and exchanges?

Make the appropriate arrangements with the merchant before shipping an item for return. The merchant must credit a return and charge a new transaction. Exchanges of like items will not necessarily require a credit transaction, for example, same item only different color. Merchants are not allowed to refund cash on a return. It is also against City policy to accept cash in a return or exchange transaction. All returns and exchanges should be documented. This documentation should come from the vendor in the form of a credit slip and a new charge slip. This information will be needed for the cardholder P-Card Log and may be needed in the case of a formal dispute.

What do I do if a receipt is lost?

In very rare instances, receipts are lost. If there is an occasion in which a receipt or source documentation cannot be found, the cardholder shall prepare a written memo to the Department's Approving Official, sending a copy of the memo to the Department Liaison that coordinates the statement for the cardholder. The memo should state the receipt was lost and then provide the merchant name, transaction date, purchase amount and a complete description of the item(s) purchased. After reviewing the memo, the Approving Official can either sign or refuse to sign the lost receipt memo. If signed, the memo is forwarded to the Department Liaison, attached to the rest of the cardholders P-Card log and receipts and forwarded to the Program Administrator. If the Approving Official does not sign the lost receipt memo, then the cardholder is personally liable for the transaction amount and will remit a personal check to the Department Liaison for that purchase.

It should be noted that continual loss of receipts will result in the loss of a cardholder's P-Card.

What do I do if a transaction is declined?

Possible reasons for decline and what to do:

- Phone orders – the merchant has written down the card number and/or expiration date incorrectly. Verify the numbers with the merchant.
- The transaction exceeds your dollar limit. Check your transactions to determine if you have exceeded your dollar limit.
- The merchant's MCC code somehow is an "exclude code" on your card. While the City of Medford has opted not to utilize "exclude codes", it is possible one or more have inadvertently been assigned to your card. Contact the Program Administrator at 774-2035 for assistance.
- If the transmission line is down between the merchant and the bank, the transaction will decline. Ask the vendor to try later. Note: If the vendor makes ten (10) tries and is declined each time, the card will then decline at any vendor for the remainder of the day.

Contact Kathy Ameral, Program Administrator, at 774-2035 for information on why a transaction was declined.

TO: Purchasing Card Administrator, Purchasing Division

FROM: Department Director

DATE: _____

SUBJECT: Authorization To Issue A Purchasing Card

I hereby authorize and request the issuance of a City of Medford Purchasing Card to

_____ (Employee's name) _____ (Employee Number)

I hereby authorized a monthly purchasing limit of \$ _____
(Not to exceed \$5,000)

I hereby designate _____, as Department Liaison for this employee.

DEPARTMENT DIRECTOR

(Only department directors authorized to sign)

PURCHASING CARD AGREEMENT

The City of Medford is pleased to present you with this Purchasing Card. It represents the City's trust in you as a responsible agent to safeguard and protect our assets while conducting purchases with it.

I certify that I have read, understand and agree to the terms and conditions of the City Purchasing Card Use Policy, and all related attachments including Attachment E (Violations and Consequences).

I agree to use this card solely for City purchases necessary to complete job-related tasks and agree not to charge personal or other non-city purchases. I understand that my Department Liaison will audit the use of my card and report any non-appropriate use to my Department Director, who in turn may take disciplinary action. The Department Director will further be required to notify the Program Administrator and Human Resources of all action taken.

I understand that the City may terminate my right to use this card at any time. I agree to return the card to The City of Medford immediately upon request or upon termination of employment.

I acknowledge receipt of Purchasing Card # _____ with a monthly limit of \$_____.

Employee Printed Name: _____

Employee Signature: _____

Date: _____

P-Card Administrator: _____

Date: _____

CARDHOLDER STATEMENT OF DISPUTED ITEM

Authorized by: _____
Cardholder Signature: _____

BANK OF AMERICA

Phone 1-800-538-8788	Fax 1-800-253-5846	Attn: Commercial Card Svcs
----------------------	--------------------	----------------------------

Business Name: _____
 Cardholder Name: _____
 Cardholder Account Number: _____

Statement Date	Transaction Date	Merchant Name/Description
Amount	Posting Date	Reference Number

Check the description most appropriate to your dispute.
 If you have any questions, contact Bank of America at 1-800-538-8788.

- _____ 1. **Alternation of Amount:**
 The amount of the sales draft has been altered from \$ _____ to \$ _____ (Please include copy of sales draft)
- _____ 2. **Unauthorized Mail or Phone Order:**
 I certify the charge listed above was not authorized by me or any person authorized by me to use this account. I have not ordered merchandise by phone or mail, or received goods and services as represented above.
- _____ 3. **Cardholder Dispute:**
 I did participate in the above transaction; however, I dispute the entire charge, or a portion, in the amount of \$ _____ because: _____

- _____ 4. **Credit Not Received:**
 The merchant has issued me a credit slip for the transaction listed above; however, the credit has not posted to my account. The date on the voucher is between 30 and 90 days old. (Please include a copy of the credit voucher)
- _____ 5. **Imprinting of Multiple Slips:**
 The above transaction represents multiple billing to my account. I only authorized one charge from this merchant for \$ _____. I am still in possession of my card.
- _____ 6. **Merchandise Not Received:**
 My account has been charged for the above transaction, but I have not received this merchandise. I have contacted the merchant.
- _____ 7. **Merchandise Not Received:**
 My account has been charged for the above transaction, but I have since contacted this merchant and canceled the order. I will refuse delivery should the merchandise still be sent.
- _____ 8. **Merchandise Returned:**
 My account has been charged for the transaction listed above, but the merchandise has been returned. Provide a description of the circumstances. (Please include postal receipt if applicable.)
- _____ 9. **Inadequate Description/Unrecognized Charge:**
 I do not recognize this charge. Please supply a copy of the sales draft for my review.
- _____ 10. **I am no longer disputing this charge.**

VIOLATIONS AND CONSEQUENCES

Below are four types of cardholder violations and an explanation of what is an appropriate consequence for each. All violations are to be recorded in an e-mail by the Department Director to the Program Administrator. Appropriate action will be taken by the Department Director. The Department Director has the authority to ask the Program Administrator to cancel a card at anytime, regardless of the consequence listed.

▶ **Personal Purchase(s)**

Violation: It is a cardholder violation to effect ANY personal purchase of personal transaction with the P-Card, whether or not the cardholder intended to pay the City back for the purchase. Anything that is not purchased for the sole use and ownership by the City will be considered to be a personal purchase.

▶ **Cash or cash-type transactions**

Violation: A cash or cash type transaction made using the P-Card. Examples of illegal transactions are cash, cash in addition to purchase, cash in lieu of credit to account, travelers checks, money orders, gambling, ATM transactions, etc. or cash taken in lieu of a credit for the return or exchange of a purchase.

▶ **Purchase of items expressly prohibited by policy**

Violation: Purchase of capital items (unit value in excess of \$1,000), computer software, hardware and accessories, gasoline for personal vehicle or motor pool vehicles (unless out-of-area). Items already under contract, such as office supplies and paper, are not acceptable uses. Only Information Services authorized staff may use purchasing cards to acquire computer hardware, software and accessories for items whose unit cost is not greater than \$1,000.

▶ **Habitual late submission of transaction log/continual receipt loss**

Violation: Failure to reconcile, complete, sign and submit the monthly transaction log and all receipts and source documentation to the Department Liaison by the required due date. Failure to obtain or retain receipts, packing slips and all other source documents required to reconcile the cardholder's monthly statement.

CONSEQUENCE:

The City must be reimbursed immediately for the amount of the personal purchase and the card will be revoked. Any violation of this policy may be investigated and could result in disciplinary action to include termination. The Department Director will determine the appropriate consequence. Department Directors are to e-mail the Program Administrator and Human Resources with advisory on both the incident and the actions taken.

KEY CONTACTS – WHO TO CALL

Department Liaison: _____

(phone)

Purchasing Card Program Administrator: Kathy Ameral, 774-2035

Program Administration Backup: Jeanine Hawk, 774-2030

Bank of America Customer Service: 1-800-300-3084

To report lost/stolen card: 1-800-305-7735

ACTIVATING THE CARD

- Cardholders CANNOT receive their card until they have attended a training session.
- Cardholders MUST sign the “Cardholder Agreement” at the time the card is received.
- Cardholders must sign the back of the P-Card immediately upon receipt of it.

Cardholders need to activate their cards before they can be used. Activation instructions will come with the P-Card along with an 800 number to call.

**City of Medford
P-Card Transaction Log**

EXAMPLE

Bank of 1234
America #:

Department: Parks
Card Holder Name: Doe, John
Billing period: 6/1/00 - 6/30/00

Liaison: Jane Smith
Phone Ext: 2406

Detail by Account Number:

Description	Account #	Project #	Reference #	Amount \$	Work Order	W/O Job	Receipt Ref
Circuit City - Audio Equipment/Supplies	001-0101-621.24-03	CA1050	12345678	1,000.00	667	001	1
Viking - Stationary	001-0101-621.24-03	CA1050	12345678	50.00	667	001	2
Office Depot - Filing Supplies	001-0101-621.24-03	CA1050	12345678	100.00	667	001	3
Boise Cascade - Misc Office Supplies	001-0101-621.24-03	CA1050	12345678	25.00	667	001	4
Fred Meyer - Disputed Charge			12345678	35.00			Unknown
TOTAL (Amount must equal statement amount)				\$1,210.00			

Disputed Items:

Description	Account #	Project #	Reference #	Amount \$	Work Order	W/O Job	Receipt Ref
Fred Meyer - Unknown charge to acct			12345678	(35.00)			Unknown
TOTAL AMOUNT TO BE PAID				\$1,175.00			

Approving Official: _____

Date: _____



City of Medford
Administrative Regulation

Regulation No.: 00-9
Page: 1 of 3
Subject Area: Personnel
Date of Issue: January 1, 2001
Supersedes: 91-2 06/12/92

Title: Travel Expenses and Employee Reimbursements

Purpose

The purpose of this administrative regulation is to establish procedures for the proper expenditure of public funds, the authorization and approval of employees travel expenses and the required documentation and audit trail for all travel expenses. This regulation applies generally to all employees, but members of bargaining units should refer to collective bargaining agreements for further particulars concerning the reimbursement schedule. Each department is responsible to ensure that employee travel expenses are in accordance with these regulations. **City Manager has the authorization to waive any provision herein in unusual and/or extenuating circumstances upon petition of the employee.**

Travel Arrangements

Travel arrangements, including hotel reservations, airline reservations, car rentals and conference registrations may be made through the Purchasing Department, or may be made by the individual department. If the latter option is chosen, departments should make sure that they utilize available City-arranged price agreements.

Travel Expenses

Travel expenses may be paid for by several methods. The employee may pay for the expenses and request reimbursement from the City via a Travel Expense Report. A cash advance may be requested to pay for the expenses and then a Travel Expense Report is filed to account for the advance. Lastly, all of the travel expenses may be paid for by a purchasing card, "P-card" hereafter. In the case where all expenses are charged on a P-card, it is not necessary to file a Travel Expense Report for the trip. When travel expenses are borne partly out-of-pocket by the employee and partly by P-card, the out-of-pocket expense reimbursements are requested through the filing of a Travel Expense Report for out-of-pocket expenses only.

Authorized Expenses

Expenses to be paid by the city include reasonable and necessary transportation, lodging, meals, local transportation and incidental expenses required to transact City business. Should an employee have out-of-pocket expenses that require reimbursement, receipts should be kept for all expenses and attached to the Travel Expense Report. A Travel Expense Report must be submitted to the Finance Department within 30 days upon the employee returning to work. Any employee who fails to meet this deadline will not be reimbursed unless an extension is granted by the City Manager, or his designee.

-
- A. Travel out of town may be by personal vehicle, city vehicle, or public carrier. Public air carrier is strongly encouraged for trips over 300 miles one way, when the use of a vehicle will result in substantial loss of City time, or when the public carrier is less expensive to the City than the use of a personal vehicle. This is generally the case when State price agreements for air travel are accessed.
 - B. Travel routes must be by the most direct and usually traveled route, or by the least expensive itinerary. If employees travel by an indirect route, or more expensive route for personal reasons, they are responsible for any additional costs and for obtaining prior approval.
 - C. Invoices for lodging should be attached to the Travel Expense Report when paid by the employee. Those charged on a P-card should be turned in to the department purchasing card liaison.
 - D. Meals and reasonable tips are reimbursed on the Travel Expense Report, or may be charged on a P-card. If it is not possible to obtain a meal receipt, per diem reimbursements may be made at the following rates, unless an employee's collective bargaining agreement specifies otherwise:

<u>Maximum without receipts</u>		<u>Maximum with receipts</u>	
Breakfast	\$6.00	Breakfast	\$11.00
Lunch	\$8.00	Lunch	\$14.00
Dinner	<u>\$16.00</u>	Dinner	<u>\$25.00</u>
Total	\$30.00	Total	\$50.00

Per diem rates will be adjusted at least annually to reflect changes in the IRS allowances for per diem, and promulgated to City departments.

For conferences which require less than a full day out of town, or for the first and last day of a multi-day conference, meals will only be reimbursed if the employee is traveling during normal meal hours. For example, if an employee leaves for a trip at 2:00 p.m., they are not entitled to a breakfast or lunch per diem reimbursement. Single meals may be paid on a per diem, or reimbursed at cost with a supporting receipt. Meals included in the costs of a conference are not eligible for reimbursement, and the City will never reimburse the cost of alcoholic beverages.

- E. The City will reimburse one brief safe arrival phone call home **to a maximum of \$10.00**, in addition to necessary office calls.
- F. Local transportation when necessary for City business, costs of taxis, buses and airport transport etc., will be reimbursed with receipts.
- G. Spouses may attend conferences at their own expense. Any additional costs, such as spouse's meals and additional room costs must be paid by the employee.
- H. Generally, entertainment expenses are not paid for by the City, with the exception of entertainment included in the basic registration fee related to a conference.

-
- I. In cases where it is necessary to file a Travel Expense Report, the Department Head shall approve all employee expense reports, and the City Manager will approve Department Head expense reports. The Travel Expense Report must be submitted to the Finance Department within 30 days upon arriving back to work.
 - J. Travel expenses charged to the employee's P-card will be processed through the normal reporting and approval cycle for P-card use, as detailed in Administrative Regulation 00-6. It is not necessary to file a Travel Expense Report for expenses charged to the P-card.
 - K. Employees who wish to use vacation time with conferences may do so with prior department heads approval. However, vacation time is deemed to begin when the employee would have otherwise returned to work. Any additional expenses incurred because of the vacation will be paid by the employee

Approved:

/s/ Michael Dyal
Michael Dyal, City Manager

11/27/00
Date

TRAVEL EXPENSE REPORT – CITY OF MEDFORD

REPORT DUE TO FINANCE WITHIN THIRTY (30) DAYS OF TRAVEL DATE

NAME OF EMPLOYEE ^(*)	CLASSIFICATION/TITLE	UNION GROUP ^(*)	DEPARTMENT/ACTIVITY ^(*)
---------------------------------	----------------------	----------------------------	------------------------------------

PURPOSE AND LOCATION OF TRAVEL ^(*)

TRANSPORTATION EXPENSES

DATE	CITY CAR Y/N	PERSONAL VEHICLE				OTHER	EXPLANATION	TOTAL
		ODOMETER START/END	PERSONAL MILES	CITY MILES	MILE RATE			

TRANSPORTATION EXPENSES TOTAL **\$ 0.00**

MEALS, LODGING, AND OTHER EXPENSES

DATE	MEAL EXPENSE			LODGING	OTHER	EXPLANATION	TOTAL
	BRKFST	LUNCH	DINNER				

MEALS, LODGING, OTHER EXPENSES **\$ 0.00**

SUMMARY OF EXPENSES AND REIMBURSEMENTS

ADVANCE BY CITY	
LESS CLAIMED EXPENSE:	
TRANSPORTATION	
MEALS, LODGING & OTHER	
AMOUNT DUE EMPLOYEE	
AMOUNT DUE CITY	

SUBMITTAL/APPROVAL

SUBMITTED BY _____

APPROVED BY _____

FINANCE DEPT. REVIEW _____

DATE _____

EXPENSE CHARGEABLE TO ACCOUNT NUMBER: ^(*)

^(*) Mandatory-Required Information