Medina County, Texas

Purchasing Policy

2nd Revision effective September 1, 2025

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I.   PURPOSE

The purchasing policy for Medina County has four (4) objectives:

1. To obtain goods and services as economically as possible.
2. To obtain the goods and services that are best suited to the particular needs of County departments.
3. To ensure the timely delivery of goods and services and avoid interruption of County operations.
4. To ensure that purchasing procedures conform to State & Federal Law, local policies, and that are budget compliant.

II.   APPLICATION

This policy is to serve as guidance for all internal offices as governed by the Commissioners Court of Medina County as well as any departments from which the County has fiduciary responsibility to include all Grant Departments.

III.   DEFINITIONS

EMERGENCY PURCHASE – A purchase necessary to keep buildings and machinery in operating condition when their idleness would result in expense to the County, or for extreme emergency cases involving public health and welfare.

CAPITAL ASSETS – Any asset leased, purchased or owned by the County valued at $5,000 or more.

FORMAL BID – Bids for purchases made according to Chapter 262 of the Local Government Code requiring consideration by the Commissioners Court, advertisement for bids, and formal specifications.

INVOICE – Itemized statement of merchandise or services provided from a vendor.

LINE ITEM – The budget account(s) for a specified class of goods or services,

PURCHASE ORDER – A legal document that authorizes the purchase of specific products or services issued by a buyer to a seller, indicating types, quantities, and agreed prices for the products or services.

REQUISITION – A request used to indicate the need for goods or services.

REQUESTOR – Elected Official, department head or employee that is authorized to make purchases.

IV.   REQUISITION & PURCHASE ORDERS

Items to be purchased and coded to accounts ending in 4515 – CAPITAL OUTLAY (>$5,000) will require a purchase order.

Items coded to accounts ending in 4515 that are exempt from a Purchase Order include:
- Ongoing Capital Projects (i.e., building construction, land purchases)
- Replacement of a major vehicle part (i.e., motor overhaul, major work due to accident)
- Court Approved Emergency Purchases

V.   PURCHASING GUIDELINES

To obtain the best price in the most efficient manner, Purchase Order purchases will be divided into the following five (5) categories:

1. $5,000 - $24,999 – Requires a Purchase Order
2. $25,000 - $49,999 – Requires quotations from at least three (3) vendors and a Purchase Order
3. $50,000 - $99,999 – Requires quotations from at least three (3) vendors, Commissioners Court approval* and a Purchase Order
4. $100,000 and over – Requires formal competitive sealed bids as specified by Chapter 262 of the Texas Local Government Code, Commissioners Court approval (*) and a Purchase Order
5. Cooperative Purchasing $100,000 and over – Requires Commissioners Court approval* and a Purchase Order. The cooperative contract number must be on the quote. The Auditor's Office will verify the cooperative contract number prior to sending the purchase to Commissioners Court for approval.

*__If a purchase is specifically itemized during the budget process and approved by Commissioners Court as a part of the budget, Commissioners Court approval is not required.__

Please note that some grant stipulations may still require a certain procurement process. Check with the Auditor's Office's prior to making large purchases through a grant.

VI.   THE PURCHASE REQUISITION

The purpose of a Purchase Requisition is to indicate the needs of the requesting department and to correctly identify the goods or services requested. The Requisition will serve as the initial request and as the ***approval*** for the purchase of those goods or services requested.

Please contact the Auditor's Office for login information before you attempt to access the Purchasing module in Tyler's Incode software. Incode is a web-based program accessed through the link below:

https://incode.tylerhost.net/medinacountytx/apps/dashboard/login

The Purchase Requisition entry initiates the purchasing process. Purchase Orders cannot be issued unless a requisition has been submitted accurately with the appropriate supporting documents attached.

Requisitions require attention to detail. Information entered will affect the approval paths, accounting codes, shipping address, and the vendor payment process.
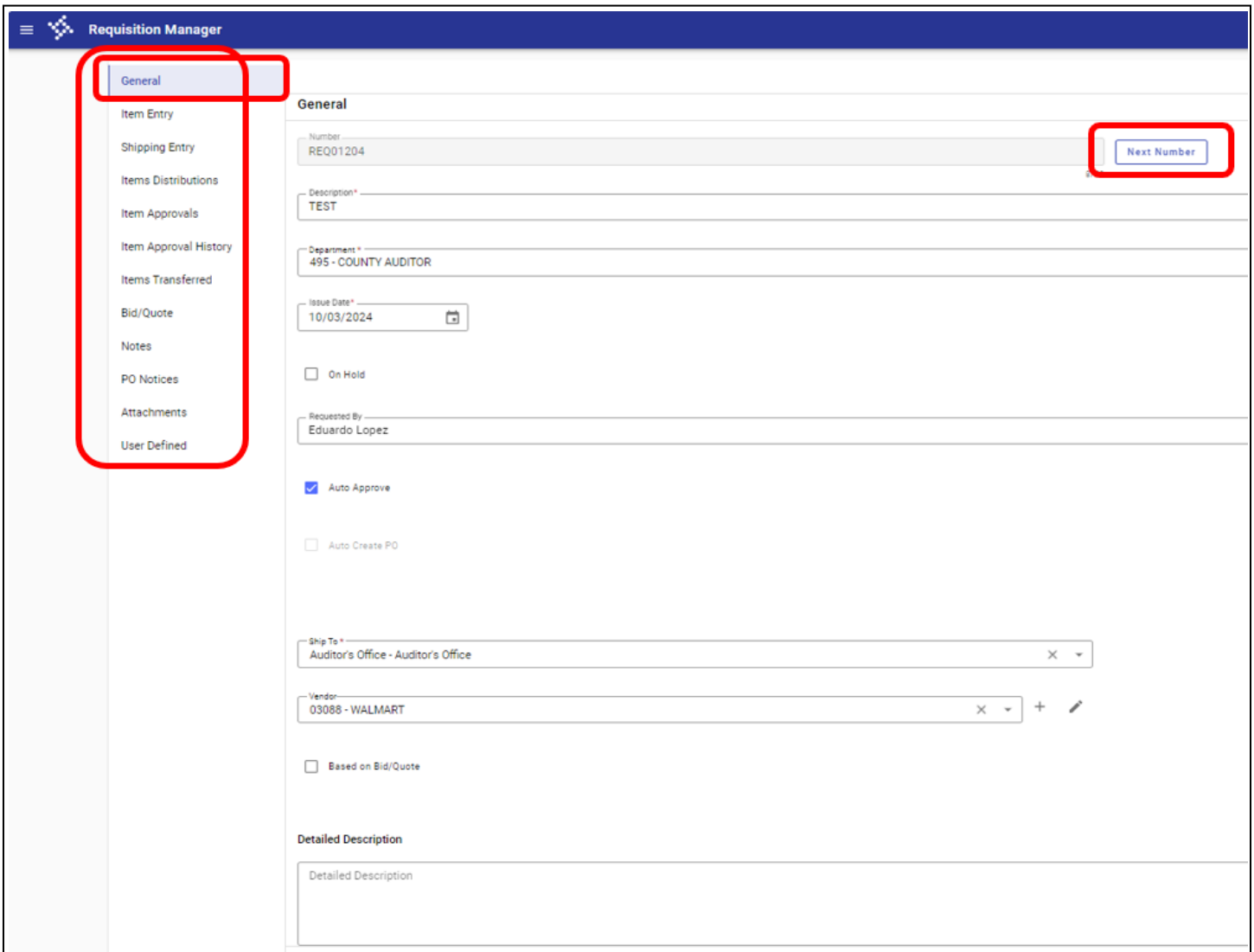
How to Submit a Purchase Requisition

STEP ONE: Log into Incode, then select ADD REQUISTION from your Dashboard.
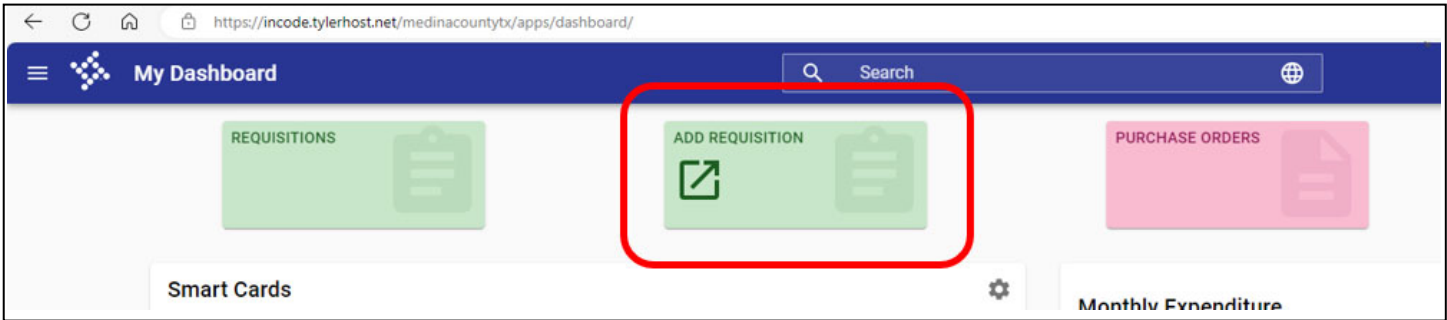

STEP TWO: Navigate through the tabs on the left-hand side of the screen and complete all required and necessary fields. The requisition Number will auto-populate by selecting Next Number.

- All fields with an asterisk require an entry. All other fields are optional but may facilitate the purchase process.
  - Description – Brief and accurate description of your purchase request
  - Department – A drop-down list will appear as you begin to type in a department **number**.
  - Issue Date – Defaults to the present date
  - Ship To – A drop-down list will appear as you begin to type in a department **name**.
  - Vendor – A drop-down list will appear as you begin to type in a vendor **number** OR a vendor **name**. *(If it is a new vendor, please obtain a W-9 from the vendor and submit it to the Treasurer's Office.)*
- All Purchase Requisitions are Auto Approved at the department level by default.

    The General tab provides options to place the requisition On Hold and still save your current work or to indicate that the requisition is based on a Bid/Quote.
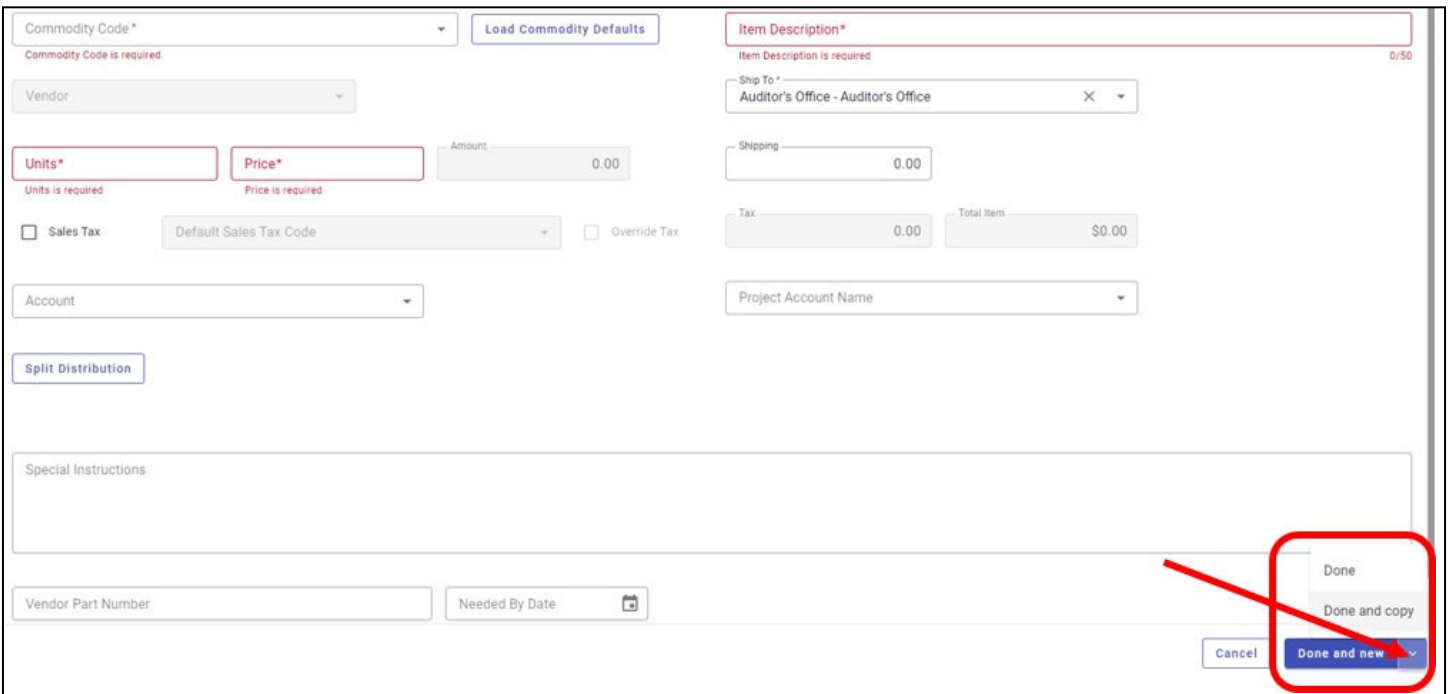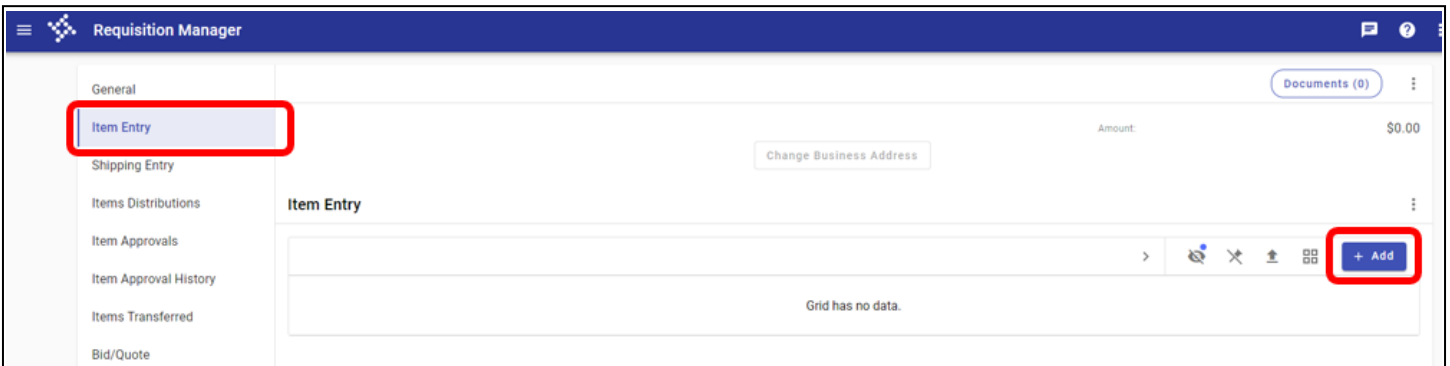
Select Item Entry tab to enter specific details for each item to be purchased.

- **Commodity Cod**e – A drop-down list will appear as you begin to type in a commodity code name. *(For a full list of commodity codes, please contact the Auditor's Office.)*
- **Description** – Detailed description of each item; one item per line
- **Units** – Quantity of items
- **Price** – Cost per unit. The total amount will auto calculate.
- **Ship To** – If different from the original Ship To destination
- **Account** – General Ledger Expense Account Code *(xxx-xxx-xxxx; Fund-Department-Account)*
- **Split Distribution** – Allows you to select multiple expense accounts

    All other options on this tab can be useful in the purchase process or for future reference.

If you only have one item, you may select Done at the bottom right corner of the screen. If you have more than one item, select Done, then new. Once you have entered all items, select Done.

A warning message will appear if the general ledger line is over budget. You will also be prompted to verify the account you are charging.
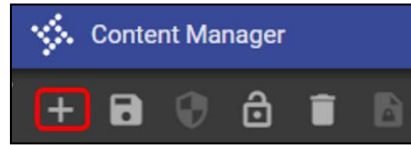
Select Done to view a list of items entered. Add more items by selecting

+ Add
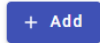
The columns on this screen may be adjusted to fit your needs.

STEP THREE: All bids, quotes, or backup documents must be attached to your requisition. The following steps are required to successfully save attachments.

1. From the Attachments tab, select the + sign
2. Attach a file by selecting a file from your folders or "drag-and-drop" a file into the middle section of the screen.

3. Once you have added a file to the Import Documents section, select IMPORT.
   i. **You must IMPORT one file at a time.**

4. After Importing all documents, save the documents to Tyler's Content Manager.
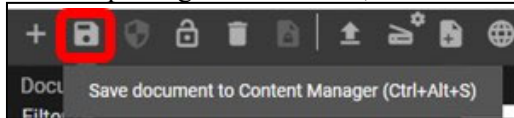
SAMPLE ATTACHMENTS SCREEN

STEP FOUR: Review your requisition before you submit, then select save at the bottom right corner of the screen to complete requisition entry. This Save option is available at all times throughout purchase requisition
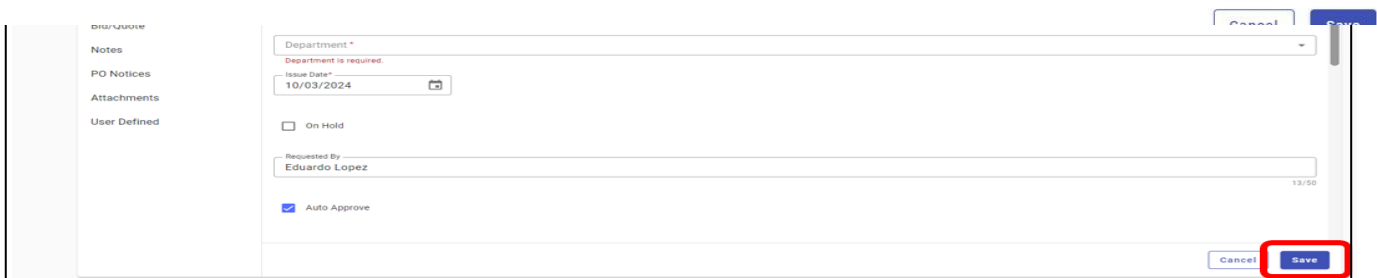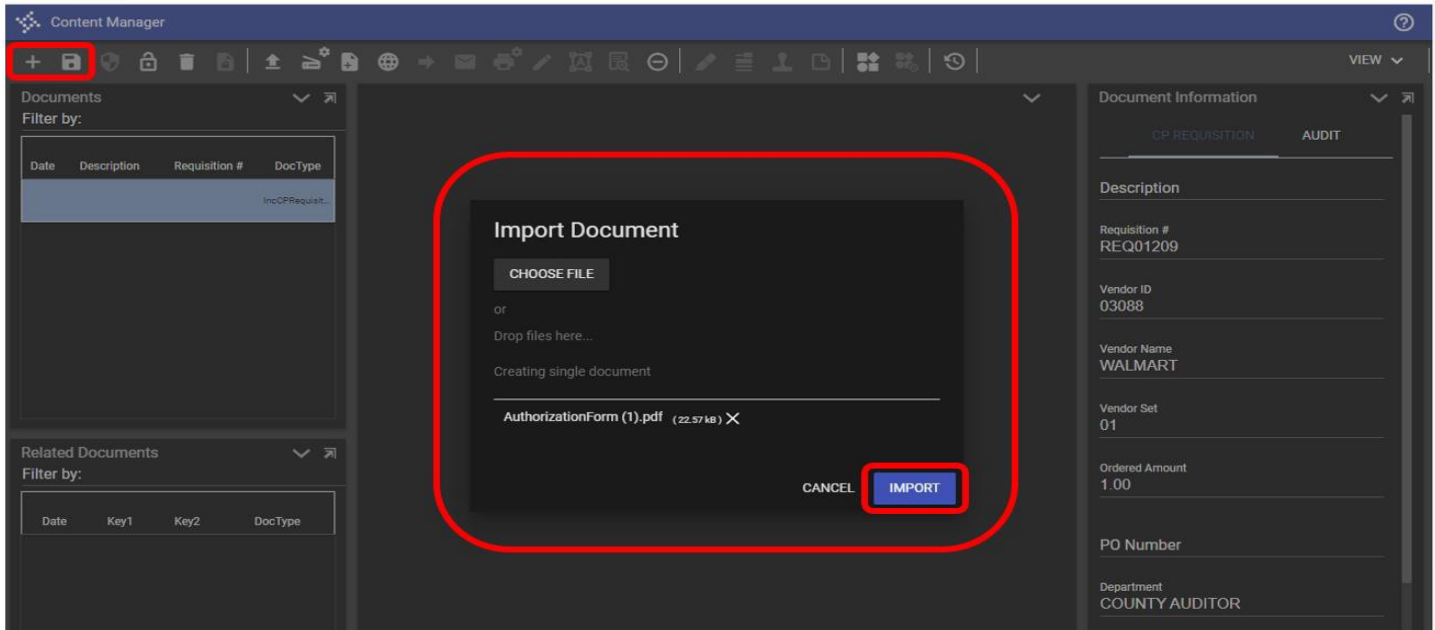
VII.   THE PURCHASE ORDER

A Purchase Order is a legal document from Medina County to purchase specific goods or services from a vendor. The Purchase Order also serves as the vendor's authorization to invoice Medina County after the goods or services are delivered and accepted by the County. Unless a change is discussed with the requesting department, the Purchase Order will be a direct reflection of the purchase requisition. All Purchase Orders will be generated concisely and clearly to avoid potential misunderstandings.

All Purchase Orders will be approved by the Auditor's Office. A standard, computer-generated Purchase Order will be issued for all non-contracted goods or services.
Once verified for accuracy, the Purchase Order will be released to the requesting department. **It is the responsibility of the requesting department to forward the purchase order to the vendor**.

VIII.   EMERGENCY PURCHASES

Emergency Purchases should be limited whenever possible by anticipating needs far enough in advance that regular purchasing procedures, as outlined in the previous sections, may be followed.

An Emergency Purchase must be approved by the Department Head/Elected Official and are allowed only to keep buildings and machinery in operating condition when their idleness would result in an expense to the County. An Emergency Purchase may also be made for extreme emergency cases involving public health and welfare.

Emergency Purchases will be classified in one of the two following categories:

1. Emergency Outside Normal Business Hours
    1.1. In such instances, the department must take necessary action to obtain the needed goods or services. When the department is aware that the purchase involves an expenditure of $100,000 or more, a reasonable effort should be made to contact the County Judge or designated representative and notify them of the emergency.
    1.2. Emergency Purchases after-hours will be limited to the Road and Bridge Departments, Buildings and Grounds Departments, Sheriff's Department, Jail, Juvenile Probation, Emergency Management, Loss Control, and the Health Unit.
2. Emergency During Business Hours
    2.1. The Requestor will initiate an Emergency Purchase by notifying the Auditor's Office of the nature of the emergency.

Efforts should be made to obtain the best possible price when making an emergency purchase and when possible, purchased from a vendor who has previously supplied the same or similar goods and services.

IX.   INSPECTING AND RECEIVING

The receiving department must inspect all goods or services to ensure that they satisfy the requested quantity, quality, and specifications in the Purchase Order.

Upon receipt of merchandise and after inspection, the Requestor will confirm that all goods or services were properly received by sending an email to purchasing@medinatx.gov. This step is required to complete the Purchase Order process and proceed to the payment process. **An Invoice from the vendor is required to complete the payment process. All invoices should be addressed to the Treasurer's Office.**

X. CAPITAL ASSET PURCHASES & DISPOSALS

Capital Assets:

The County will maintain an inventory of all assets in accordance with Generally Accepted Accounting Principles (GAAP), including governmental Accounting Standards Board (GASB) Pronouncement Number 34, and this policy.

The purpose of this policy is to ensure that consistent and proper procedures are followed in the recognition of assets held or owned by Medina County. Records of all fixed assets will be maintained in such a manner to sufficiently safeguard these items as public investments and to assure stewardship of all such assets held in public trust.

Capital assets costs consist of all expenditures necessary to acquire and make the purchase ready for its intended use. The following costs are to be considered as part of the total expense: purchase amount (before trade-in allowance), shipping and freight, and installation. Tangible items calculated at $5,000 or more will be labeled with a County Property tag that includes a sequential number. *Each Elected Official or Department Head is responsible for ensuring that assets are accounted for and secured in a manner that is most likely to prevent theft, loss, damage, or misuse of County property. *

Each Elected Official or Department Head shall maintain control over property considered "high risk" with a value of less than $5,000. High risk items may include, but are not limited to, weapons, electronics, tools, and computer components.   Effective October 1, 2025, a list of assets will be sent to each department head and elected official who will then review the list and send a signed copy of the inventory list to the Auditor's Office acknowledging that items are still in use. Signed asset lists will be due six weeks after receiving the list from the Auditor's office. Any items not accounted for will be indicated on the inventory list and subsequently removed from the asset listing upon court approval.

Lost or stolen property must be reported immediately to the County Treasurer's Office. The Treasurer's Office will determine if an insurance claim will be filed. The Treasurer's Office will then contact the Auditor's Office so adjustments can be made to the assets of record.

Major repairs to machinery or equipment will be added to the original asset cost if such repairs meet the following criteria:

a. The total cost of repairs exceeds twenty percent of the original acquisition cost and is not due to accidental damage; or
b. The total cost of repairs is $5,000 or more, and the repairs result in extending the life of the asset i.e., a motor overhaul or a new transmission.

Change in Elected Official or Department Head:
When an Elected Official or Department Head leaves County employment, arrangements must be made with the Auditor's Office to perform an inventory far in advance to ensure that the inventory can be taken before the termination date. The Auditor's Office will provide a full report to Commissioners Court, noting discrepancies between property located versus the most recent department inventory.

Donated Property:
All assets, services, or material received via donation or contribution, regardless of source, must be evaluated and approved by Commissioners Court. These items shall be reported to the Auditor's Office immediately upon receipt to update the assets of record as needed.

Proper recording of donated assets is essential as some contributed assets, such as those received from the Federal Government, must be tracked at several levels. Improper disposition of donated assets could have penalties or a negative impact upon the County's ability to participate in particular grant programs.

Gift Cards:
On occasion, funding sources may allow for the purchase of gift cards. Regardless of funding source, a detailed log of gift card purchases should be kept in the office where the purchase was made. This log should be available for inspection at any time by the Auditor's Office. Gift cards should be treated like cash and properly secured at all times. Gift cards should not be used in any way to circumvent the purchasing statutes or the Purchase Order process.

Disposal of salvage or surplus property (LGC 263.151 subchapter D):
Prior to disposal, the Commissioners Court must approve all disposal of County assets. Departments needing to dispose of salvage or surplus property must complete an asset disposal form and submit it to the Auditor's Office. This form is available on the County Website under the Auditor's Office tab:

https://www.medinatx.gov/page/medina.County.Auditor

Methods to dispose of assets:

1. **Authorized**
   a. Auctions – The sale of surplus or obsolete assets that have been inspected by other departments for possible use.
   b. Recycled or Trashed – Recycling the asset or disposing of an asset in the garbage.

2. **Unauthorized**
   a. Theft – An asset that has been removed from a location without permission.

   Prior to disposing of assets, decals and other Medina County identifiers must be removed. Once the asset is disposed of, it will be removed from the County's Assets Module and then removed from the corresponding department's inventory.