

County Purchasing Agent

By Narita K. Holmes, Ector County Purchasing Agent

August 2004

County purchasing agents are appointed officials who hold a two-year term of appointment that is made by a board defined by state law. The composition of the board is defined in the Local Government Code and may differ for counties with certain population levels.

Duties of the purchasing agent are defined in Section 262.011 of the Local Government Code. These duties include purchase of all supplies, materials and equipment required or used by the county. In addition, contracts for all repairs to property used by the county and its officers and employees are made by the purchasing agent.

Purchase, which includes any kind of acquisition, including lease, of an "item" exceeding \$25,000 during the fiscal year for the county must be made using formal bid or proposal procedures as outlined in the law under the supervision of the purchasing agent. An "item" is defined as any service, equipment, good or other tangible or intangible personal property, including insurance and high-technology items. Purchase of an item may not be split into separate, sequential or component purchases in order to avoid complying with the \$25,000 formal bid limit.

A person other than the county purchasing agent may not make the purchase of items as defined in the code. The county auditor may not issue payment, and the county treasurer may not honor a warrant for a purchase unless the purchase is made by the county purchasing agent or on competitive bid as provided by law.

Laws that govern purchases for counties are found in many locations in Texas law including the Local Government Code, Government Code, Labor Code, Health & Safety Code, Transportation Code, Human Resources Code and Code of Criminal Procedures. Each section of the law relating to purchase of items also includes penalties for violating the law, including financial penalties, confinement, and removal from office for specific periods of time. There are many attorney general opinions that interpret the laws related to purchasing. Changes in the laws have been extensive in the last few sessions of the Texas Legislature.

The county purchasing agent is authorized by law to adopt the rules and procedures necessary to implement his/her duties, subject to approval by the commissioners court. This includes procedures for purchases made for the county of items that do not reach the \$25,000 formal bid limit.

In addition to purchasing responsibilities, the purchasing agent is responsible for an inventory of all the property on hand and belonging to the county. In most counties, the purchasing agent supervises or conducts the physical inventory each year, in addition to tagging acquisitions throughout the year. In some counties, the purchasing department staff members also maintain the computerized records of fixed assets.

When surplus property is ready for disposition, including assets and other items, the purchasing agent usually handles the disposition through auction, sealed bid, or other methods provided by law. To

prevent unnecessary purchases, the purchasing agent, with the approval of the commissioners court, may transfer county supplies, materials and equipment from one department, official or employee of the county to others who need the items.

Centralization of purchasing through appointment of a purchasing agent results in many benefits including the following:

1. Lower costs of commodities.
2. Reduction in the overhead costs of buying.
3. Reduction in the volume of paper work.
4. Simplification, standardization, and the use of standard specifications.
5. Supervision over:
 - a) Inspection of deliveries and tests.
 - b) Storage and distribution of items.
 - c) Inter-departmental transfers, trade-ins, and sale of surplus and obsolete commodities.
6. Closer accounting control over expenditures.
7. Maintenance of a centralized vendor record, with continual update, research, and addition of new vendors.
8. Improvement of efficient buying techniques and the elimination of favoritism in working with vendors – keeping a “level playing field” which should result in greater satisfaction for vendors and fewer protests.
9. Earning of cash discounts.
10. Simplification of vendor problems accomplished through:
 - a) Solicitation of business from one purchasing office.
 - b) Reduction of number of orders and deliveries.
 - c) Reduction of account keeping.
11. Combination of purchases to achieve volume discounts.
12. Join with other governmental agencies in cooperative purchasing programs to reduce cost of purchases.
13. Contact with purchasing agents throughout the state through the Texas County Purchasing Association to provide answers to purchasing questions and to access specifications and vendor sources.
14. Assistance to all elected and appointed officials by:
 - a. Assuring compliance with the many purchasing laws.
 - b. Reducing the burden of visits from suppliers and their representatives.
 - c. Ensuring timely delivery of goods and services to avoid interruption of governmental operations.
 - d. Freeing their staff of purchasing responsibilities so that they may focus on the other duties of their office.