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# Purchasing

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Please feel free to contact us if you have questions or comments regarding this information or any other CTAS website material.

Sincerely,

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# Purchasing

## Purchasing and Finance Commission

### Private Acts of 1955 Chapter 313

**SECTION 1.** That the Quarterly County Court of Rhea County, Tennessee, hereinafter called the County, is hereby empowered to adopt and enforce ordinances and resolutions prescribing detailed procedure to be employed in the administration of the finances, the personnel and the procedure of each office, official, agent, employee, department, institution and activity of the County Government, including, but not limited to the following:

- a. The assessment of property for taxation in all respects not contrary to the Constitution of General laws of Tennessee.
- b. The levying and assessing of property taxes, licenses, fees and charges;
- c. The collecting, safeguarding, depositing, expending and reporting of County funds collected by County officers, or offices, all fee and commission funds accruing to the offices of elective County officials, including Clerks of Courts who are declared to be officials of the County as well as the State in certain respects, but whose fiscal and reporting procedure pertaining to funds in which the County has an interest is hereby made subject to control by the County Court.
- d. The installation and operation of modern methods of accounting, auditing, budgeting, reporting, purchasing, contracting, debt administration, and all improved procedures for the aid of the County Government.
- e. Codes of regulation controlling building, electrical, plumbing, sanitary and other work in urban localities that are not incorporated;
- f. Violations of the provisions of such ordinances or resolutions so adopted shall constitute a misdemeanor.

**SECTION 2.** That there is hereby created a Purchasing and Finance Commission for Rhea County hereinafter called the Commission.

Said commission shall be composed of three (3) citizens of the county who have resided in the county for at least five (5) years and who shall be business persons with at least five (5) years of general business experience and shall be at least thirty (30) years of age.

The members of the Commission shall be elected by the Quarterly County Court. The Quarterly County Court at its regular meeting in July 1956, shall elect the first Commission, which shall take office on September 1, 1956. The County Court shall, at its July meeting in 1956, elect one member whose term shall expire on July 31, 1957; one member whose term shall expire on July 31, 1958; and one member whose term shall expire July 31, 1959; At its July meeting each year thereafter, the County Court shall elect the successor to the member whose term will expire the following July 31st, for a term of Three Years. The terms of office shall be so staggered that one member will be elected each year so as to have a continuing Commission so that there will always be two experienced members.

Vacancies occurring in membership of the Commission shall be filled at the next meeting of the County Court.

Each member of the Board of Commissioner shall, before entering upon the duties of his office, make and file with the Clerk of the County Court an oath to the effect that he will faithfully, honestly, and impartially discharge the duties of his office to the best of his ability and shall execute a Corporate Surety Bond in the principal sum of Five Thousand Dollars (\$5,000.00), payable to the State of Tennessee, for the use of Rhea County, the said bond to be approved by the Chairman of the County Court, or the County Judge and to be filed with the Clerk of the County Court, to be conditioned that the said Commissioner will honestly, faithfully, and impartially discharge the duties of his office, and the premium upon said bond shall be paid from the County General Fund.

Said Board shall hold regular meetings on Wednesday of each week at the Court House in said County, the hour to be fixed by the Commissioners. All meetings shall be public and the Board will keep minutes of its proceedings. A majority of the Board shall constitute a quorum for the transaction of all business and the acts of two members of said Board shall, when same is in session, be deemed the Act of the Board.

The Commission shall at its first meeting organize itself by electing from its membership a Chairman, Vice-Chairman, and a Secretary. And shall so organize itself at its first meeting in August each year.

The compensation of the members shall be Six Hundred Dollars (\$600.00), except the Chairman who shall receive Nine Hundred Dollars (\$900.00) per year to be paid out of the County General Funds on warrants drawn by the County Judge or Chairman.

As amended by: Private Acts of 1981, Chapter 184

**SECTION 3.** That the administrative details of accounting and purchasing, auditing and budgeting, matters pertaining to finance, the drawing of warrants, the keeping of books and records of the County and all similar details shall be under the supervision of the Commission. The County Court shall prescribe, install, and maintain a centralized system of double entry accounting and fiscal control of all County funds, and may prescribe and supervise the administrative and fiscal procedures to be employed by each County office, agency and department and may require such records, reports and procedure and such general business methods as may to the Court seem desirable and necessary. But the system of accounts to be kept by the Department of Education shall be such as may be prescribed by the Department of Education of the State of Tennessee. The accounting system herein provided shall properly account for all revenues accruing to the County from any and all sources, including grants-in-aid or other income from the State and/or the Federal Government, and all disbursements made and obligations against any County fund or any fund administered by any branch of the County Government.

The Commission shall be the purchasing agency for the County and the County Court is authorized to employ all necessary assistants to the Commission and to fix and pay compensation therefor. It shall be the duty of the Commission acting as Purchasing Agent to purchase all the supplies, materials or properties of every kind and character, including insurance on County property, used or consumed by the County or any of its officers, agents, employees, Boards or commissions including all County offices, the County Jail (exclusive of supplies for boarding prisoners), the County workhouse, the County schools and the County Board of Education, all the materials and supplies or equipment used in connection with the County Poor Farm, highways and bridges and all other officials, boards or Commissions of said County where such supplies, materials or properties are paid for out of the public funds belonging to or under the control of said County. "All contracts, for construction of buildings, roads, and any other work shall be let by the Commission at the request of the official or Board having jurisdiction to order the work done. The plans and specifications shall be adopted or supplied by such Board or official having jurisdiction. No County official or Board other than the Commission shall have any authority to make purchases or to let contracts as set out above which bind the County." The purchase of supplies, materials or properties in any one class in excess of Five Hundred (\$500.00) Dollars shall be made upon competitive bids, after due notice by advertisement or otherwise to prospective bidders; purchases in smaller amounts shall also be made at lowest and best price possible provided, however, that in case of emergency, competitive bids shall not be required. Provided further that nothing herein shall operate to prevent the purchase of coal from the State of Tennessee if it appears in the public interest to so purchase it. Said Commission shall, upon authorization of the County Court, sell any real or personal property of the County not needed or suitable for public use or that may have been condemned or discarded; either at public or private sale.

As amended by: Private Acts of 1978, Chapter 193

**SECTION 4.** That all County officials, commissions or boards and all authorized clerks of any Court in said County shall make requisition upon the Commission for the quantity and character of supplies, materials or properties needed or the needs of which are anticipated; and if such Commission be satisfied that the quantity, quality and character of such supplies, materials or properties so requisitioned are proper and necessary, it shall proceed to purchase the same and make delivery thereof to the requisitioning officer, or officials, Board of Commission, or if deemed advisable store the same in such storage space as may be provided, delivery thereof to be made when, and if needed.

Said Commission after ascertaining that all materials, supplies or properties so requisitioned, and for which purchase orders have been issued are in order and properly accounted for from packing slips, invoices, etc., when delivery is made to requisitioner which are to be properly signed by an assistant or assistants of the Purchasing and Finance Commission office as a receiving report.

It shall further be the duty of all requisitioners, for which purchase orders are issued, to keep in their possession records of the disposition of all supplies, materials or properties and are to be held accountable to the said Commission for such records which shall periodically be audited by the Purchasing and Finance Commission office for a check of the disposition of all supplies, materials and properties, chargeable to such departments or officials.

It shall be the duty of all officials of the County to supply the Purchasing and Finance Commission with a property report of all equipment, office furniture, fixtures, office equipment, properties and supplies chargeable to such officials and officers, etc., and belonging to the County which shall be a permanent record of the Commissions' office, such properties, furniture, equipment, etc., shall be audited monthly by assistants of the Purchasing and Finance Commission office.

The Commission, or its assistant or assistants, shall prepare all necessary and proper vouchers for

purchases made and shall accompany the same with the invoices and information as to price, quantity and character of such supplies, materials or properties. Said invoices are to specify the department or office for which the purchase was made, a warrant for which shall be drawn upon the County Trustee, signed by the Chairman of said Commission and by the County Judge or Chairman of the County Court, for the payment of all purchases made, with the exception of purchases made for supplies, materials and properties chargeable to the public school fund of said County, and for such purchases the invoice with the accompanying data aforesaid shall be presented to the County Board of Education, which shall draw its own warrant, or warrants, in payment thereof as now provided by law, and said Trustee shall not honor any warrant for the purchase of supplies, materials and properties or contracts as set out above other than those drawn by the County Board of Education and the County Purchasing and Finance Commission.

Said Commission shall make reports, listing all purchases and contracts consummated by it to the regular meetings of the County Court for the preceding quarter.

Said Commission shall be responsible for the auditing and checking all county officials, employees, Boards of Commissions and the County Court shall make available to it all necessary help and assistance, technical, expert or otherwise as may be advisable to the end that systematic audits, checks and surveys may be made at such times and in such manner as the County Court may determine and a report thereof kept in the office of the Commission for public inspection. Said County Court shall have authority to employ a certified public accountant who is not otherwise an employee of the County, or a firm of such accountants, and may enter into contracts with them on behalf of the County prescribing the method and time of such audits but the books and records of such County officials, Board of Commission, shall be audited not less than once each year, provided, however, that the expense of said audits shall not exceed Three Thousand Dollars (\$3,000.00), per year.

**SECTION 5.** That the scale of wages and salaries of all employees of the Highway Department shall be subject to the approval of the said Commission. And all authority to draw warrants on Highway Department funds in the hands of the County Trustee shall be removed from the Highway Supervisor and placed in the Commission, the same as for purchases. The County Highway Department shall submit its payroll to the Commission and if found in order it shall draw warrants in payment of it as above set out for payment for purchases of supplies, materials and properties.

**SECTION 6.** That until otherwise prescribed by the County Court, the fiscal year of the Government of Rhea County shall begin on July 1st and end on June 30th each year. **SECTION 7.** That there is hereby created a County Budget Committee for Rhea County composed of the Chairman of the County Purchasing Commission, the County Judge or Chairman of the County Court and three Justices of the Peace appointed or elected by the Quarterly County Court at its April term.

It shall be the duty of said Budget Committee, after full investigation of the fiscal affairs of each Department, Board, Commission or office to adopt a proposed budget for the next fiscal year beginning on the next July 1st, for all affairs of the County, except schools. Said proposed budget shall set out in detail the estimated expenditures for each department of the County Government by months where practical and otherwise by quarters. Expenditures for each such period shall substantially comply with the budget for the period. It shall also recommend a tax levy for each department of the County Government which, together with any unencumbered funds in the hands of the Trustee less a reserve for erroneous assessments and delinquent taxes for that year, it believes will be sufficient to operate each department of the County Government on a cash or "pay as you go basis."

This proposed budget shall be prepared in time to furnish a copy of it to each member of the County Court, to all interested officials and to newspapers for publication not later than June 1st immediately preceding the beginning of the fiscal year covered by the proposed budget.

This proposed budget shall be submitted to and acted upon at the July Term of the County Court. The County Court may modify as it sees fit such budget before its adoption but it shall make a tax levy upon the adoption of such budget sufficient to operate the County affairs on a "Cash" or "Pay as you go" basis, as outlined above.

**SECTION 8.** That it is the purpose of this Act to provide for the "Cash" basis operation of all fiscal affairs of Rhea County. To that end no purchase shall be made for any department until it is determined and certified by the County Central Accounting office that there is an unencumbered fund in the hands of the Trustee to the credit of the department for which the purchase is to be made, sufficient to pay for said purchase. It is further provided that no warrant shall be drawn by any County official until an encumbrance number has been assigned to it by the Central Accounting office and no encumbrance number shall be so assigned unless and until the Central Accounting office shall have determined that there is sufficient unencumbered funds in the hands of the Trustee to the credit of that particular department to pay such warrant.

**SECTION 9.** That the Commission shall have authority to purchase road equipment for the County highway upon rental purchase basis, after ascertaining there is sufficient income from road funds to make said rental payments under any contract so made. This right to make such rental purchase contract is provided because the said County does not have sufficient cash on hand at all times from road funds to make cash payments for heavy machinery used for said Highway Department and unless the Commission is given this right, said County could be deprived of machinery needed for said County roads.

**SECTION 10.** That it shall be a misdemeanor in office for any County official of Rhea County to willfully authorize or execute any contract for service or make any purchase or draw any warrant on the Trustee without having first determined as above set out that there is an unencumbered balance in the current budget for the affected department and that there is in the hands of the Trustee unencumbered funds to pay for all the purchase or to pay the warrant, or to make any purchase from any vendor in which he has any personal interest directly or indirectly and upon conviction for this personal offense, the official shall be dismissed from his office and disqualified for holding any public office in Rhea County, for a period of Five Years.

**SECTION 11.** That the County Judge or County Chairman, the Supervisor of Roads and the members of the County Purchasing and Finance Commission are hereby constituted a County Highway Supervisory Committee. The County Judge or Chairman shall be its chairman. Said Committee shall approve in writing a program of Road maintenance and construction for each quarter of the budget year which shall be followed by the Supervisor of Roads in expending of County Road Funds. This program shall set out what roads are to be constructed and/or improved and in what order. The above program shall provide a fair and equitable distribution of road construction, improvement and maintenance as between the Civil Districts and various communities of the County. Account shall be taken of such matters as population, road mileage, mail routes, and work previously done in the several districts and communities and the current condition of the roads.

All machinery, tools and materials for use by the Highway Department shall be requisitioned by the Supervisor of Roads subject to the approval of the Commission. This committee shall have full authority to act for the County in making recommendations to the State Highway Department as to where and how State and/or Federal Highway funds available to the County shall be spent. The employment of personnel, with the exception of a bookkeeper, and their salaries shall be upon the recommendation of the Supervisor of Roads and subject to the approval of the Commission. The Purchasing and Finance Commission shall employ a bookkeeper for the County Highway Department, and the Road Supervisor or the County Highway Supervisory Committee shall have no authority to employ a bookkeeper for said Department. Said bookkeeper for said Department to be paid out of the road funds.

**SECTION 12.** That should any section, or part of a section, of this Act be declared unconstitutional, or for any reason invalid, same shall not be held to impair or invalidate the constitutionality, validity, force or effect of any other section or part of this Act, it being expressly declared by the General Assembly that this Act and the remaining sections, or parts of sections, would have been approved or adopted without regard to the invalidity or unconstitutionality of any part of a section, unless it clearly appears that the remainder of the Act be necessarily dependent upon that part declared invalid or unconstitutional.

**SECTION 13.** That all laws, or parts of laws, in conflict with or inconsistent with the provisions of this Act, or any part thereof, are hereby repealed, and this Act shall take effect from and after its passage, the public welfare requiring it, but this Act shall not have the effect of removing from office the present Board of Commissioners elected by virtue of Chapter 48, of the Private Acts of 1953 or to amend, alter, or abridge their duties or authority under Chapter 48 of the Private Acts of 1953 until their term expires on August 31, 1956.

**SECTION 14.** That this Act shall have no effect unless the same shall have been approved by two-thirds vote of the Quarterly County Court of Rhea County, Tennessee, on or before the next regular meeting of said Quarterly County Court occurring more than Sixty Days after its approval by the Chief Executive of this state. Its approval or non-approval shall be proclaimed by the Chairman of the Quarterly County Court of Rhea County, Tennessee, and shall be certified by him to the Secretary of State.

Passed: March 9, 1955.

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