

JUN 14 2021

**Approved**

**REQUEST FOR AGENDA PLACEMENT FORM**

**Submission Deadline - Tuesday, 12:00 PM before Court Dates**

**SUBMITTED BY:** Ralph McBroom

**TODAY'S DATE:** June 4, 2021

**DEPARTMENT:** Purchasing

**DEPARTMENT HEAD:** Ralph McBroom

**REQUESTED AGENDA DATE:** June 14, 2021

**SPECIFIC AGENDA WORDING:** Consideration and approval of the updated Johnson County Purchasing Policy Manual.

**PERSON(S) TO PRESENT ITEM:** Ralph McBroom C.P.M.

**SUPPORT MATERIAL:** See Attached.

**TIME:** 5 min

(Anticipated number of minutes needed to discuss item)

**ACTION ITEM:** X  
**WORKSHOP**

**CONSENT:**  
**EXECUTIVE:**

**STAFF NOTICE:**

**COUNTY ATTORNEY:** X  
**AUDITOR:**  
**PERSONNEL:**  
**BUDGET COORDINATOR:**

**IT DEPARTMENT:**  
**PURCHASING DEPARTMENT:**  
**PUBLIC WORKS:**  
**OTHER:**

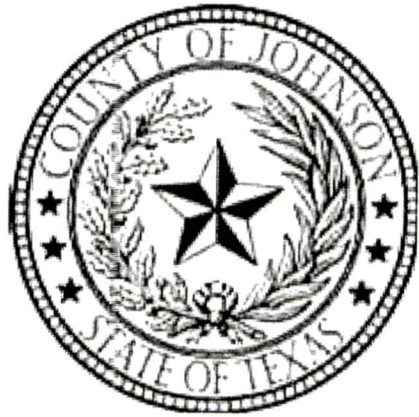
\*\*\*\*\*This Section to be completed by County Judge's Office\*\*\*\*\*

ASSIGNED AGENDA DATE: \_\_\_\_\_

REQUEST RECEIVED BY COUNTY JUDGE'S OFFICE \_\_\_\_\_

COURT MEMBER APPROVAL \_\_\_\_\_ Date \_\_\_\_\_

# **Johnson County**



# **Purchasing Manual**

# TABLE OF CONTENTS

	Page
INTRODUCTION	3
I. STATEMENT OF GENERAL POLICY	4
II. PURCHASING AUTHORITY AND GENERAL GUIDELINES	5
III. REQUISITIONS	6
IV. PURCHASE OF MATERIALS AND SUPPLIES	7-8
V. BIDDING PROCESS AND PROCUDURES	8-10
VI. SPECIAL PURCHASES (EMERGENCY PURCHASES)	10-13
VII. INSPECTING, TESTING AND RECEIVING	13
VIII. COUNTY-OWNED SUPPLIES AND EQUIPMENT	13-15
IX. LEGAL BASIS FOR PURCHASING	15-18
X. PROCUREMENT ETHICS CODE	18-20

## INTRODUCTION

This manual contains the authorized procedures for purchasing by County officials and employees. The Johnson County Commissioners Court promulgates these procedures, and only the Commissioners Court shall make changes in the contents of this manual.

County purchasing procedures are governed by Texas statutes; and these statutes, including interpretations of them made by Texas courts, are the ultimate authority on the validity of purchasing procedures. Because the procedures described in this manual are based on state law, this manual, in many instances, contains language taken directly from statutes, and paraphrases of and broad generalizations about Texas statutory law have been included where appropriate to assist in applying the law in routine situations. This manual cannot address every situation; and when an unusual situation occurs or a difficult legal or factual problem arises, the exact statutory language must be reviewed and analyzed. In every situation, the final authority for County purchasing procedures is the law itself.

This manual is for the use of Johnson County employees and officials and is designed to assist them in complying with the laws governing County purchasing procedures. This manual does not create any rights of individuals or entities enforceable against Johnson County.

## **I. STATEMENT OF GENERAL POLICY**

It is the policy of Johnson County that all purchasing shall be conducted strictly on the basis of economic and business merit. This policy is intended to promote the interest of the citizens of Johnson County.

To avoid violation of or the appearance of violation of the policies in this manual, County employees and officials are to refrain from the following:

Soliciting or accepting money, loans, credits, or prejudicial discounts, and the acceptance of gifts, entertainment, favors, or services from present or potential suppliers that might influence, or appear to influence purchasing decisions. Generally, edible goods with a value of \$50.00 or less are acceptable if shared with the entire staff unless it appears to influence a purchasing decision.

It is important to remember that County Purchasing operates in full view of the public. In order to assure an open purchasing process and economy in purchasing, the Commissioners Court has determined that competitive bidding will be used as much as possible in the purchase of goods and services for the County.

Johnson County intends to maintain a cost effective purchasing system conforming to good management practices. To be successful, the system must be backed by proper attitudes and cooperation of not only every department head and official, but also every supervisor and employee of Johnson County. The establishment and maintenance of a good purchasing system is possible only through cooperative effort.

The responsibility of purchasing ultimately rests with the Commissioners Court. The Purchasing Agent, as an agent of the Commissioners Court, aids in the purchasing process but is subject to the Court's direction as to reasonable specifications and maximum prices on items to be purchased.

The purchasing process is not instantaneous. Time is required to complete the steps required by State law. In order to accomplish timely purchasing of products and services at the least cost to Johnson County, all departments must cooperate fully. Prior planning and the timely submission of requisitions are essential to expedite the purchasing process and to assure that the process is orderly and lawful.

## II. PURCHASING AUTHORITY AND GENERAL GUIDELINES

Authority to make County purchases resides in either the County Purchasing Department or the Commissioners Court. The Purchasing Department is responsible for making purchases of supplies, materials, equipment, and for making contracts for repairs to County owned property, except in cases where competitive bids are required by law. All competitively bid contracts are made by and through the Commissioners Court. Such purchases made on competitive bids shall be supervised by the Purchasing Agent in accordance with the purchase contract. (Local Government Code, Chapter 262.011(e)). Competitive bidding is generally required on all purchases or repair contracts for \$50,000 or more.

General guidelines for purchasing and utilization of this manual are as follows:

- (1) Determine whether the County is required to make the purchase by competitive bidding. Generally, competitive bidding is required on any purchase likely to equal or exceed \$50,000. Unless a bid contract for the goods or services already exists, the items required to be purchased through competitive bidding will be purchased as described in Section V, p. 8-10. Questions regarding the necessity of competitive bidding should be answered by the Purchasing Department.
- (2) Other Purchases -- Special procedures are available for and applicable to the purchase of particular goods and services, summarized as follows:
  - (a) Unbudgeted Capital Expenditures -- purchases not authorized in a department's current budget must be authorized through a budget amendment by the Commissioners Court. (See Section VI, A, p.10).
  - (b) Blanket Purchase Orders -- acquisition of goods or services on an "as needed" basis may be authorized in appropriate instances by a blanket purchase order. (See Section VI, B, p. 10-11).
  - (c) High Technology and Insurance -- as an alternative to competitive bidding, in the case of high technology items and insurance, competitive proposals from vendors may be solicited by the County when, in the judgment of the Commissioners Court, this procedure is preferable. (See Section VI, C, p.11).
  - (d) Professional and Personal Services -- Professional and Personal Services are exempted from Competitive bidding, in which case they may be obtained through Requests for Qualifications as described in. (Section VI, D, p. 11-12).
  - (e) Emergency Purchases -- items otherwise required to be competitively bid may be exempt from the competitive bidding process by the Commissioners Court if (1) a prompt purchase is required, due to a public calamity, to meet a necessity of the citizens or preserve public property, (2) the purchase is necessary to preserve the public health or safety of county residents, or (3) the purchase is required due to unforeseen damage to public property. (See Section VI, E, p. 12)
  - (f) Work in Progress -- this may be exempted by the Commissioners Court and paid for by the day, after it is performed.
  - (g) Land and Right-of Way Acquisition -- this has been exempted by the Commissioners Court from competitive bidding.
  - (h) Sole Source Items -- an item available from only one source may be purchased without competitive bidding, with the approval of the Commissioners Court, as provided in (Section VI, F, p. 12).
  - (i) Equipment Maintenance Services -- Maintenance is arranged through the Purchasing Departments described in (Section VI, G, pg. 12-13).

### **III. PROCUREMENT PROCESSES**

#### **A. ADDING NEW VENDORS**

Adding new vendors to the Johnson County Innoprise Database may be required under the following conditions.

- (1) There is no vendor currently on the database that can supply the item required other than by adding a new vendor.
- (2) A new vendor receives an award in response to a Johnson County RFQ, RFP, or RFB. In order to properly add a vendor to the database the attached vendor packet Attachment "A" must be completed by the department requesting a new vendor and sent to Purchasing. Purchasing will then check to see if there is already a current source on the Innoprise System. Purchasing will also check to see if the new vendor is on the State of Texas and Federal Debarment lists.

After Purchasing has completed these checks and agrees that the vendor should be added to the database, the vendor data will be uploaded to Innoprise.

Purchasing will then notify the Department users of the new vendor number.

#### **B. REQUISITIONS**

A requisition is required for all purchases (Local Gov. Code Section 113.901) for the following reasons.

- (1) To inform the Purchasing Department of the needs of the requesting department.
- (2) To identify correctly and clearly the material requested. Requisitions must be prepared well in advance to enable the Purchasing Department to find a vendor and to allow for delivery by the vendor.
- (3) To be consistent, requisitions should be structured the same as:
  - A. Adding new vendors
  - B. Office Supply orders

#### **C. OFFICE SUPPLY ORDERS**

- (1) Office supplies are purchased via the Internet from a vendor with whom Johnson County has a current contract through an Interlocal Cooperative Purchasing Agreement. The user department will be issued a Password and User ID. Instruction on how to purchase via the Internet will be given to authorized personnel in each department by Purchasing.
- (2) Authorized personnel will place orders for office supplies, which will be forwarded to the Purchasing Department, via the Internet, to review order and verify funds. Purchasing will then remit order to vendor. Delivery will be made to the user Department.

### **IV. PURCHASE OF MATERIALS AND SUPPLIES**

#### **A. General**

Materials and supplies not available from the current office supply contract via the Internet are acquired through the Purchasing Department. Additionally, contracts for repairs to property used by the County are requisitioned through the Purchasing Department.

## **B. Responsibilities of the Purchasing Department and Requesting Departments**

This section of the procedure manual outlines the responsibilities of the County departments when making an acquisition through the Purchasing Department. It should be used as a guide to help departments do their part in the purchasing process.

- (1) The Purchasing Department's responsibilities are as follows:
  - (a) Obtain information from the user departments related to their needs.
  - (b) Secure products and services requested by the user department at the best value to the County.
  - (c) Identify sources and availability of needed products and services.
  - (d) Aid and cooperate with all departments of the County to meet their equipment and supply requirements.
- (2) Requesting Departments' responsibilities are as follows:
  - (a) Make requests early enough to allow sufficient time for the vendor to make delivery.
  - (b) Supply detailed specifications of items requested in requisition.
  - (c) Inform the Purchasing Department or Commissioners Court of all unusual purchasing requirements.
  - (d) Take no actions that might be viewed as obligating or committing the County, except in an emergency.
  - (e) Make no commitments regarding commodities or services in the name of the County. Such commitments will be VOID unless they are made by the Purchasing Agent, the Commissioners Court, or other agents of the Commissioners Court.
  - (f) An opportunity to engage in a beneficial financial transaction or obtain a bargain does not constitute an "emergency".

## **C. Purchasing Procedures**

- (1) Capital Purchases: If the requisition is for the purchase of a capital item (\$5,000.00 or more) one of the alternative procedures shown below should be followed.
  - (a) If an unbudgeted capital expenditure, See VI, A, pg. 10.
  - (b) If the capital expenditure is budgeted and the item is \$50,000 or more it must be competitively bid.
  - (c) If a budgeted capital expenditure of less than \$50,000 the item may be acquired through Purchasing.
- (2) Requisition: complete a requisition in the Innoprise system.
- (3) Preparation of Purchase Order: User will enter the requisition into the Innoprise System for preparation of a purchase order documenting in accordance with the following guidelines:
  - (a) Requisitions from \$1 to \$9,999 require at least one (1) written quotation.



- (b) Requisitions ranging from \$10,000 to \$49,999 require at least two (2) written quotations.

## **V. BIDDING PROCESS AND PROCEDURES**

### **A. Bid Procedures for Budgeted Item -- Purchase over \$50,000**

#### (1) Requesting Department's Responsibilities

- (a) Submit specifications to the Purchasing Department far enough in advance of the desired purchase date to allow time for the formal bidding process.
- (b) Be present at the meeting of the Commissioners Court during which the bid specifications are discussed and approval for the Purchasing Agent to publish the bid document as requested.

#### (2) Purchasing Department's Responsibilities

- (a) Review bid specifications to determine adequacy and to insure that they are not unduly restrictive.
- (b) Submit agenda placement and notify the department of agenda date.
- (c) Following approval by Commissioners Court publish the bid document and mail to vendors.

### **B. General Bidding Information**

The Purchasing Agent will insure publication of the legally required notice. No specifications are to be written with the intent to exclude a potential bidder. Competitive bidding can be let on either a lump sum or a unit price basis. If unit price bids are solicited, the needed quantities of each item are to be estimated based on the best available information. The successful bidder's compensation, however, will be based on the actual quantities supplied, furnished, or constructed.

### **C. Bid Opening**

Following receipt of bids by Purchasing Department, bids will be publicly opened in the Purchasing Agent's Office. Anyone may attend. All sealed bids will be opened on the assigned day at the designated time. Bids will be read aloud and recorded on a bid tabulation sheet. The Purchasing Department will furnish copies of the bids to user department and evaluation team members.

### **D. Bid Recommendations**

After examining copies of all the bids, the requesting department will send a written recommendation for bid award to Purchasing at least seven days prior to the deadline for Commissioners Court agenda. The Purchasing Agent will verify recommendation to the lowest bid received. Any recommendation to award to other than the low bidder will be presented to the County Judge for resolution prior to submission to Court.

After review of recommendations, the Purchasing Agent will submit an agenda placement, award recommendation; along with a bid summary, to the Commissioners Court.

A contract may not be awarded to a bidder who is not the lowest dollar bidder meeting specifications unless, before the award, each lower bidder is notified by the Purchasing Agent of the proposed award and offered an opportunity to appear before the Court and present evidence concerning the lower bidders responsibility.

### **E. Bid Award**

Bids will be awarded to the lowest and best responsible bidder. In addition to the price, the Commissioners Court will consider:

- (1) The quality of the product;
- (2) The adaptability of the product to the intended use; and
- (3) The ability, experience, efficiency, integrity, and financial responsibility of the bidder.

When the County receives only one bid, the bid may be accepted if the Commissioners Court determines the price is fair and reasonable. If the price is not fair and reasonable, the bid is rejected.

If two or more responsible bidders submit identical bids, the bid award will be made by drawing lots or as directed by the County Judge.

#### **F. Bond Requirements**

If applicable, a Bid Bond shall be required. Pursuant to the provisions of Section 262.032 (a) of the Texas Local Government Code, if the contract contemplated by this request is a bid for the construction of public works, or will be under a contract exceeding \$100,000.00, Johnson County may require the vendor to execute a good and sufficient bid bond in the amount of five percent (5%) of the total contract price. Said bond shall be executed with a surety company authorized to do business in the State of Texas.

If applicable, a Performance Bond shall be required. Pursuant to the provisions of Section 262.032 (b) of the Texas Local Government Code, within thirty (30) days of the date of the signing of a contract or issuance of a purchase order following the acceptance of a bid by Johnson County Commissioners Court and prior to commencement of the actual work, the successful vendor shall furnish a performance bond to Johnson County for the full amount of the contract if the contract exceeds \$50,000.00. *Said* bond shall be for the purpose of insuring the faithful performance of the work in accordance with the plans, specifications and contract documents associated with the contract.

If applicable, a Payment Bond shall be required. Pursuant to the provisions of Section 2253.021, Texas Government Code, if the amount of the contract awarded to the successful vendor exceeds \$25,000.00, the successful vendor shall execute a payment bond in the amount of the contract. Said bond is solely for the protection and use of payment bond beneficiaries who have a direct contractual relationship with the prime contractor or a subcontractor to supply public work labor or material. This bond must be issued to the County within ten (10) days of the award of the contract and before vendor begins the work.

If applicable, a Performance Bond shall be required. Pursuant to the provisions of Section 2253.021, Texas Government Code, if the amount of the contract awarded to the successful vendor exceeds \$100,000.00, the successful vendor shall execute a performance bond in the amount of the contract. Said performance bond is solely for the protection of Johnson County and is conditioned on the faithful performance of the work in accordance with the plans, specifications, and contract documents. This bond must be issued to the County within ten (10) days of the award of the contract and before the vendor begins the work.

#### **G. Acquisition of Item After Bid Award**

Following award of the bid contract by the Commissioners Court, a purchase order will be entered in the system and the successful vendor will be notified.

## **H. Change Order**

A change order may be required when it becomes necessary to make changes after performance of the contract has commenced. The Purchasing Agent is authorized to approve increase or decreases to the original contract price of \$5,000 or less. The original contract price may not be increased by more than 25%. All change orders requiring increases or decreases to the contract price involving more than \$5,000 must be approved by the Commissioners Court. All decreases of 18% or \$5,000 or more of the original contract price must have the written consent of the contractor.

Any major alterations of the plans or specifications must be submitted to the Commissioners Court for approval.

## **VI. SPECIAL PURCHASES**

### **A. Unbudgeted Capital Purchases**

If a needed capital item was not included as part of the County Budget, the following procedures should be followed in order to obtain budgetary authorization.

- (1) The requesting department must generate a requisition in Innoprise and attach a quote and justification for the need of the item.
- (2) The requesting department shall include a cost estimate, a statement justifying the need and if there are available departmental funds that may be used for the purchase.
- (3) The requesting department must obtain a line item amendment form and submit to the Budget Coordinator. The requesting department must fill out a Budget Transfer Form which is located on the Johnson County Intranet under Employee Resources, County Judge's Office and submit to the Budget Coordinator.
- (4) The Budget Coordinator will then present the request to the Court. The Commissioners Court will approve or decline the request. If approved, normal purchasing procedures apply.

After the Commissioners Court has granted budget authorization, the item will be competitively bid if over \$50,000.

### **B. Acquisition under a Blanket Purchase Order**

- (1) Authorization of Blanket Purchase Order

A Blanket Purchase Order authorizes a County department to obtain up to a specified amount of material (services or supplies) on a continuing basis from a vendor. Such Purchase Orders are authorized only by the Purchasing Department in appropriate circumstances, i.e., obtaining road materials that are under contract, or for any products or services used for maintenance of vehicles or other equipment. Any department foreseeing a definite and regular need for items not available routinely should consider contacting the Purchasing Department to investigate obtaining a Blanket Purchase Order for such items.

Blanket Purchase Orders anticipated to exceed \$50,000 during the course of a year must be competitively bid, as described in Section V. No Blanket Purchase Order may exceed budgeted funds for such purchases by a department.

- (2) Procedure for Acquisition under Blanket Purchase Order:

- (a) The department will conduct business in accordance with the terms of the blanket purchase order or applicable contract.
  - (b) The department will retain receipts and/or delivery tickets for all items picked up or delivered and enter into the Innoprise System.
- (3) Utility Blanket Purchase Orders may be used for utilities expenses. ie; electric, water, gas and telephone.

**C. Insurance and High Technology Items**

- (1). Insurance and high technology items valued in excess of \$50,000 will be obtained through a proposal process or through GSA or State Contracts. All high tech specifications must be approved by the Information Technology Department.

“High Technology Item” means a service, equipment or goods of a highly technical nature, including:

- (a) data processing equipment and software and firmware used in conjunction with data processing equipment;
- (b) telecommunications, radio, and microwave systems;
- (c) electronic distributed control systems, including building energy management systems; and
- (d) technical services related to the above items.

**D. Professional and Personal Services**

- (1) Personal Services

May be contracted pursuant to Section 262.024 Local Government Code, if Commissioners Court by order grants an exemption.

- (2) Definition of Professional Services

“Professional services” are services provided by or within the scope of services such as those provided by certified public accountants, architects, landscape architects, land surveyors, physicians including surgeons, optometrists, professional engineers, state certified or licensed real estate appraisers, or a registered nurse.

Professional services are procured through the Request for Qualifications (RFQ) process. The selection of providers of professional services will be based on the competency of the firm or individuals and not on competitive bidding results. Departments requiring professional services must review the experience and capabilities of the prospective service providers through statements of qualifications and interviews.

- (3) Procedure

- (a) Solicitation of Qualifications

After approval by the Commissioners Court, Purchasing will send an RFQ to potential professional service providers. Purchasing Agent will order advertisement of the request. The service providers will submit qualifications to the Purchasing Department. The Purchasing Department shall open qualifications submittals on the date specified in the request for qualifications. Confidential and trade secret information, identified as such in the qualifications, shall not be publicly disclosed, but the remainder of the qualifications shall be open for public inspection following award of the contract.

(b) Evaluation of Qualifications

An evaluation committee will evaluate the qualifications and if needed conduct further discussions and negotiations with responsible offerors after the opening. All offers are to receive fair and equitable treatment with regard to such discussions and negotiations. An evaluation of qualifications shall be made by an evaluation committee. The evaluation of each service provider will cover such areas as references, qualifications of personnel, background and experience of firm, required disciplines and clarity of submittal.

(c) Selection

The selection and award will be made on the basis of demonstrated competence and qualifications to perform the services; and for a fair and reasonable price. The professional fees under the contract must be not higher than the recommended practices and fees published by the applicable professional associations, and may not exceed any maximum provided by law.

**E. Emergency Purchases**

Emergency purchases are authorized in extremely limited circumstances: (a) in the event of public calamity for the benefit of the County citizens or to protect public property; (b) in order to protect the public health or safety of County residents; or (c) when made necessary by unforeseen damage to public property. Depending upon the time of the emergency and type of purchase necessary, one of the following procedures should be followed:

(1) After hour's emergency – for an expenditure of less than \$50,000, the department must take the necessary action to obtain the needed goods or services. If, however, the Department is aware that the purchase involves an expenditure of \$50,000 or more, a reasonable effort should be made to contact the County Judge to notify him or his designated representative that the emergency exists. The next working day the Department should contact purchasing to obtain a requisition and purchase order; procedures applicable to phone in purchase orders may be followed.

(2) Emergency during working hours -- (a) If the purchase is for less than \$50,000 and budgeted funds are available, phone-in purchase order procedures may be utilized; (b) if the purchase is less than \$50,000 and funds are not available, approval of the County Judge must be obtained by Purchasing prior to acquiring the item using the phone in purchase order procedure; or (c) if the purchase is in excess of \$50,000, and funds are available Purchasing must obtain approval of the County Judge or his designated representative for the purchase and then utilize phone in purchase order procedures.

**F. Sole-Source Purchases**

An item valued in excess of \$50,000, which would otherwise be purchased by competitive bidding, may be purchased without the necessity of bidding if it is available from only one source. Typical items in this category include patented or copyrighted material, secret processes, natural monopolies, utility services, captive replacement parts or components for equipment, and films, manuscripts or books. Such items may be purchased from a sole source without competitive bidding only after the Purchasing Administrator, in writing, certifies the existence of only one source to the Commissioners Court and the Court enters an order finding of such in its minutes, and grants an exemption from the bidding requirement.

**G. Equipment Maintenance**

Maintenance service on County owned equipment is arranged through the Purchasing Department. The Department requiring maintenance should contact Purchasing, which will initiate one of the procedures described below.

- (1) Equipment under warranty or existing maintenance contract -- Purchasing will contact the appropriate vendor and arrange for the service. After the equipment is serviced, the Department should notify Purchasing that the equipment has been serviced.
- (2) Service of Other Equipment
  - (a) Purchasing will contact vendor(s) and obtain estimate(s) of cost. If estimated cost is not justified (e.g., cost of repair exceeds replacement cost or value of equipment), Purchasing will advise the Department and declare the equipment surplus. If the Department objects to the equipment being declared surplus, the final decision on whether or not to declare the equipment surplus will be made by the Commissioners Court.
  - (b) If the cost of maintenance is justified, the Department will prepare a requisition and Purchasing will issue a purchase order, and notify the vendor and arrange for the service.
  - (c) After the equipment has been serviced, the Department will notify Purchasing and forward the service ticket to the Auditor.

#### **H. Impracticality of Preparing Detailed Specifications**

If the Purchasing Agent determines that it is impractical to prepare detailed specifications for an item to support the award of a purchase contract, the Purchasing Agent shall notify Commissioners Court that it is impractical to prepare detailed specifications for an item to support the award of a purchase contract, Commissioners Court shall instruct the Purchasing Agent to follow purchasing procedures as prescribed in "Alternative Multistep Competitive Proposal", Section 262.0295 of the Local Government Code.

#### **VII. INSPECTING, TESTING AND RECEIVING**

A. It is the responsibility of each County department to see that all purchased items conform to the quantity, quality and specifications of the order.

After delivery of the merchandise to the requesting department, the department must determine whether the goods are acceptable. If they are not, the Receiving Department must immediately notify the Purchasing Department of the reasons why the merchandise is not acceptable. The Purchasing Department will then contact the vendor for replacement, cancel the order, or take other appropriate action to obtain correct merchandise.

#### **VIII. COUNTY-OWNED SUPPLIES AND EQUIPMENT**

All County-owned supplies, equipment and machinery must be used ONLY for County business. Public Officials and Department Heads are responsible for the proper accounting for, maintenance of and use of County equipment.

##### **A. Receipt of New Property -- Tagging**

New property with a value of \$1000 to \$4,999.99 will be designated non capital assets and will be labelled with sequentially numbered Johnson County Property Tags. Assets with a value of \$5,000.00 or more will be designated capitol assets and will be labelled with sequentially numbered Johnson County Property Tag number for inventory purposes by the Purchasing Department.

## **B. Public Official and Department Head Responsibility**

Each Public Official and Department Head is responsible for the custody and care of County property assigned to their respective department. County property may be used only for County purposes. Each Public Official and Department Head is responsible for ensuring that assets are tracked and secured in a manner that is most likely to prevent theft, loss, damage or misuse of assets. Care shall be taken to insure all necessary precautions are in place so that assets are secured.

## **C. Controlled Property**

Each Public Official and Department Head shall maintain control over property not defined under the capitalization policy, yet considered high-risk items. High-risk items include, but are not limited to, weapons, electronics, tools, and computer peripherals. Each Public Official or Department Head shall establish internal procedures to track such items. The County Auditor upon request shall make reports of high-risk items available for inspection.

Information Technology Services shall maintain an inventory of all computer equipment for the purpose of tracking and maintenance. This inventory does not absolve Public Officials and Department Heads from the responsibility of assuring stewardship of the property or the reporting requirements for the property.

## **D. Transfer of Property Local Gov. Code Section 262.011(j)**

The Purchasing Agent is authorized by Commissioners Court to transfer supplies, materials and equipment among the various County departments. The transfer or trade of any equipment (not limited to capital items) from one department to another must be handled through Purchasing. In the event an item is no longer required, the department shall notify the Purchasing Department in writing. The Purchasing Department will demonstrate appropriate action to be taken.

The Purchasing Department and other departments are encouraged to make inquiries regarding unused or unneeded equipment in the possession of other departments; however, the decision as to whether or not the property is unneeded ultimately rests with the Purchasing Agent as authorized by Commissioners Court.

The Purchasing Agent shall furnish a list of transferred supplies, materials and equipment to the County Auditor.

## **E. Missing Property**

Lost or stolen property must be reported immediately. The Public Official or Department Head must make reports of loss or theft in writing to the Purchasing Agent. Reports of theft must include a copy of the theft report compiled by the proper law enforcement agency.

If an item cannot be located, Purchasing will verify that all proper documentation has been submitted by the appropriate department.

## **F. Disposal of Surplus or Salvage Property Local Gov. Code Chapter 263, Subchapter D)**

The Purchasing Agent may periodically request that the Commissioners Court declare property "surplus" (in excess of needs, but still useful) or "salvage" (valueless property). Surplus or salvage property may be sold by competitive bid or auction by the Purchasing Agent as provided in Section 263 of the Local Government Code. Surplus or salvage property is not limited to capital items as defined herein.

County employees will be given the same opportunity afforded to other persons to bid on and purchase surplus properties offered at a public sale or auction.

No Purchasing Department employee or his or her immediate family may bid on property sold through a Sealed Bid Sale. Purchasing Department employees may not knowingly purchase or receive merchandise through a third party through a Sealed Bid Sale.

Johnson County may sell surplus or salvage property to another County or a political subdivision within the County, or offer the property as a trade-in for new property of the same general type. Commissioners Court may order the property to be destroyed or disposed of if bids are not received from a public auction or sealed bid sale.

#### **G. Inventory Arrangements – Resignation, Retirement or Removal**

When a Public Official or a Department Head leaves his or her County employment, arrangements must be made with Purchasing for equipment inventory far enough in advance to insure that the inventory can be taken before the termination date. The Purchasing Department will provide to the Auditor and the Commissioners Court a full report, noting any discrepancies between property actually located and property listed on the inventory. The County Official or Department Head will be personally accountable to the Court for all missing items.

#### **H. Annual Inventory**

On July 1 of each year, the Purchasing Agent shall file an inventory of all property of the County with the Purchasing Board and the County Auditor based on the information submitted by the Public Officials and Department Heads for the purpose of financial accounting and inventory control.

### **IV. LEGAL BASIS FOR PURCHASING**

#### **A. Govt. Code Chapter 2254 -- Professional Services Procurement Act**

Counties may not bid contracts for professional services. These contracts instead must be awarded on the basis of “demonstrated competence and qualification for the type of professional services to be performed.” Fees must be “fair and reasonable,” consistent with and not in excess of published recommended practices and fees of applicable professional organizations, and not in excess of any maximums specified by State law. “Professional Services” includes services within the scope of the practice of: accounting, architecture, optometry, professional engineering; this includes services performed by any licensed architect, optometrist, physician, surgeon, certified public accountant or registered professional engineer in connection with his or her professional employment or practice.

#### **B. Local Gov. Code Chapter 271, Subch. D -- Purchase Under State Contract**

The State Purchasing and General Services Commission may perform purchasing services for local governments (including counties). The County may participate by adopting a resolution. The contents required in the resolution are stated in the statute. A County that purchases under state contract satisfies all competitive bidding laws.

#### **C. Local Gov. Code Chapter 171 -- Conflict of Interest**

Ownership of certain property or business interests may require that a local public official refrain from participation in votes or decisions and/or refrain from certain acts if the vote, decision or act involves the business interests or property owned by the public official or by a person related to the public official within the second degree of consanguinity or affinity.



“Local public official” includes members of the County governing body or other County officers, whether elected or appointed, paid or unpaid.

A person is deemed to have a substantial interest in a business entity” if”:

- (1) Ownership of ten per cent (10%) or more of voting stock or shares of the business entity, or ownership of \$2,500 or more of the fair market value of the business entity; or
- (2) Proceeds received from the business entity exceed ten per cent (10%) of the person’s gross income for the prior year.

A person is deemed to have a substantial interest in real property if the interest, whether involving equitable or legal ownership, has a fair market value equal to or exceeding \$2,500. A local public official is deemed to have a substantial interest in the business entity or in land if a person related to the official within the second degree by consanguinity or affinity has a substantial interest in said business entity or land as defined above.

If the local public official has a substantial interest in a business that seeks to do business with the County, the official must file with the County clerk an affidavit stating clearly the nature and extent of his interest. The public official must then abstain from participation in any matter involving or between County and the business in which he has the substantial interest. In particular, this includes abstention from votes or other decisions regarding the business entity, if it is reasonably foreseeable that action taken on the matter would or might confer an economic benefit on the business. The official must not act as surety for the business if it has work, business or contracts with the County. An official may not knowingly act as a surety on any official bond required of an officer of the County. A violation of any of these is a crime (CLASS A misdemeanor).

The County Commissioners Court may, however, contract for services or personal property with a business entity in which a member of the Court has a substantial interest if the business entity (1) is the only business entity which can provide the needed service or property within the jurisdiction of the Commissioners Court, and (2) bids on the contract.

The Commissioners Court must take a separate vote on any budget item that is specifically concerned with a contract involving a business entity in which a member of the Court has a substantial interest. The Commissioner having the substantial interest may not participate in that separate vote; he may, however, vote on the final budget if: (1) he has otherwise complied with the requirements of Local Gov. Code Chapter 171, some of which are indicated above, and (2) the matter regarding the business entity with which the member is concerned by virtue of his substantial interest has been resolved.

#### **D. Local Gov. Code Chapter 262, Subch. A -- County Contracting Agent**

The Commissioners Court may at its discretion appoint an agent with authority to contract on behalf of the County for (1) erecting or repairing County buildings; (2) supervising same; or (3) any other purpose authorized by law. Any contract or other act of such an agent that is properly executed on behalf of the County and is within the agent’s authority is binding on the County for all purposes.

#### **E. Local Gov. Code Chapter 262, Subch. B -- County Purchasing Agent**

A board composed of three judges of district courts, one commissioner and the County Judge, by majority vote, may appoint a suitable person to act as the County Purchasing Agent.

The purchasing agent's term of office is two (2) years. The agent is subject to removal by the Board. A \$5,000.00 performance bond is required of the Purchasing Agent.

If appointed, the County purchasing agent "shall" purchase all supplies; materials and equipment required or used by the County and "shall" contract for all repairs to County property, except purchases and contract that are required to be obtained by competitive bid. The Purchasing Agent also supervises all purchases made by competitive bid.

It is unlawful (and there may be criminal penalties) for any other person, firm or corporation, other than the County Purchasing Agent, to purchase any supplies, materials or equipment or to contract for repairs to property used by the County. Section 262.011(d), (m). The County Auditor may not draw or approve and the county treasurer may not honor a warrant for any purchase unless that purchase has been made by the County Purchasing Agent or by competitive bid as required by law.

The Agent has a number of other duties that are specifically set out in Chapter 262, Subch. B. e.g., the County Purchasing Agent may cooperate with a City Purchasing Agent to purchase items in volume. The County Purchasing Agent is responsible for filing with the Purchasing Board, County Auditor, the Commissioners Court on each July 1st and inventory of all County property on hand and belonging to the County.

In order to prevent unnecessary purchases, the County Purchasing Agent shall transfer any County supplies, materials and equipment from any department not needing them to another department requiring them. Upon so doing, the Purchasing Agent shall furnish the departments with a form to sign to transfer such item.

The County Purchasing Agent may have assistants. The Agent and assistants may have any help, equipment, supplies and/or traveling expenses that may be approved and considered advisable by the Commissioners Court.

The authority of the County Purchasing Agent applies to all purchases of supplies, materials and equipment for the use of the County and its officers, including purchases made by officers paid out of fees of the office or otherwise, regardless of whether the purchase contract is made by officers paid out of fees of the office or otherwise, regardless of whether the purchase contract is made by the Commissioners Court or any other officer authorized to bind the County by contract.

#### **F. Local Gov. Code Chapter 263, Subch. D -- Disposition of Salvage or Surplus Property**

Surplus property is property in excess of needs, but property that still has some usefulness. Salvage property is defined as property having no value for the purpose for which it was originally purchased.

Surplus or salvage property may be sold by competitive bid or may be auctioned. It also may be offered as a trade-in on new property of the same general type. If the commissioners court cannot sell or trade in the property, the property can be destroyed.

#### **G. Local Gov. Code Chapter 262, Subch. C -- County Purchasing Act (Competitive Bidding)**

Purchasing and contracting authority of the County is contained in Chapter 262 of the Local Government Code. It is a comprehensive County purchasing statute. The statute includes:

1. Competitive bidding requirements, procedures and exemptions;
2. An alternative competitive request scheme and proposal procedure for insurance or high technology items (see section 262.030); and
3. Bond requirements for bidders.

The competitive bidding procedures must be strictly complied with except for certain specific exemptions enumerated in the statute. These include certain emergencies and cases involving sole suppliers. Failure to follow the bidding requirements of the act may subject the contract to injunction to prohibit its performance. See section 262.033.

All separate, sequential or component purchases of items ordered or purchased by the same officer or department from the same supplier in any attempt to avoid the bidding requirements are treated as parts of a single purchase or contract. 262.023(c).

Any County officer or employee who knowingly or intentionally makes or authorizes separate, sequential or component purchases in avoidance of the competitive bidding requirements is guilty of a CLASS B misdemeanor. 262.034(a).

A County officer or employee commits an offense if the officer or employee intentionally or knowingly violates this subchapter, other than by conduct described by Subsection (a). An offense under this subsection is a Class C misdemeanor. 262.034(c).

**H. Labor Code Section 406.096 applies to every “building or construction contract” entered into by the State or a political subdivision of the State, no matter how small the subject matter of the contract may be.**

**I. Local Gov. Code Chapter 113 -- Approval of Claims by County Auditor**

Each “claim, bill and account “against the County” must be filed with the County auditor, allowing sufficient time for the auditor to “examine and approve” the claim before the meeting of the Commissioners Court at which it is to be approved. Such claim, bill or account may not be paid or allowed until it has been “examined and approved” by the County Auditor. Section 113.064(a). The auditor may not audit or approve a claim unless the claim was “incurred as provided by law.”

The auditor may not audit or approve and account (i.e., claim) for the purchase of supplies or materials for the County unless a requisition properly signed by the officer ordering the supplies or materials and approved by the County Judge is attached to the account (claim). Section 113.901(a). The County Judge may, by written order, waive the requirement that he approve requisitions. If this approval requirement is waived, all claims must be approved by the Commissioners Court in open court.

**X. PROCUREMENT ETHICS CODE**

**A. General Ethical Standards**

Public employment is a public trust. It is the policy of Johnson County to promote and balance the objective of protecting government integrity and the objective of facilitating the recruitment and retention of personnel needed by Johnson County. Such policy is implemented by prescribing essential standards of ethical conduct without creating unnecessary obstacles to entering public service.

Public employees must discharge their duties impartially so as to assure fair and competitive access to governmental procurement by responsible contractors. Moreover, they should conduct themselves in such a manner as to foster public confidence in the integrity of the Johnson County Purchasing Department. Johnson County employees will avoid the appearance of unethical or compromising practices in relationships, actions, and communications.

- (1) It shall be a breach of ethics to attempt to realize personal gain through public employment with Johnson County by any conduct inconsistent with the proper discharge of the employee's duties.

- (2) It shall be a breach of ethics to attempt to influence any public employee of Johnson County to breach the standards of ethical conduct set forth in this code.
- (3) It shall be a breach of ethics for any employee of Johnson County to participate directly or indirectly in procurement when the employee knows that:
  - (a) The employee or family member\* of the employee has a financial interest pertaining to the procurement;
  - (b) A business or organization in which the employee, or family member\* of the employee has a financial interest pertaining to the procurement; or
  - (c) Any other person, business or organization with whom the employee or family member\* of the employee is negotiating or has an arrangement concerning prospective employment is involved in the procurement.
  - (d) If such conflicts of interest exist, the employee shall notify the Purchasing Agent in writing and remove him/herself from the County procurement process.
- (4) It shall be a breach of ethics to offer, give or agree to give any employee or former employee of Johnson County, or for any employee or former employee of Johnson County to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or purchase request, influencing the content or any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore pending before this government.
- (5) It shall be a breach of ethics for any person who is a contractor or subcontractor or who is seeking to become a contractor or subcontractor on a contract with Johnson County, or any person acting on the behalf of such contractor or subcontractor to offer employment or anything of value to any Johnson County employee or family member\* of any Johnson County employee as an inducement to influence the award of a contract to such potential contractor or subcontractor.
- (6) It shall be a breach of ethics for any employee or former employee of Johnson County knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any person. Employees will keep County procurement information obtained in the competitive bidding process confidential until after contract award if the solicitation and law provides for such information it to be kept confidential.

\* "Family member" shall be defined to include only those persons related within the first degree of consanguinity or the first degree of affinity. The method of computation of degrees of consanguinity or affinity shall be according to the provisions of Texas Government Code Chapter 573 but shall include only persons related to the employee within the first degree of consanguinity or first degree of affinity.

**ATTACHMENT A**  
**JOHNSON COUNTY VENDOR PACKET**

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# Johnson County

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Purchasing Department  
1102 E. Kilpatrick, Suite B  
Cleburne, TX 76031  
Office: 817-556-6384 Fax: 817-556-6385  
[www.johnsoncountytexas.org](http://www.johnsoncountytexas.org) E-mail: [PUR@johnsoncountytexas.org](mailto:PUR@johnsoncountytexas.org)

## VENDOR INFORMATION FORM

Complete the information below and check the appropriate commodity or classification numbers for the items, materials, or services your company offers on the following pages. These numbers are listed in the State of Texas NIGP commodity book at [http://www.window.state.tx.us/procurement/com\\_book](http://www.window.state.tx.us/procurement/com_book).

Vendors presently doing business with the County should complete a new form if current information changes to assure correct placement in the computerized commodity system and to assure receipt of bid information (i.e. new address, phone or fax number). Misrepresentation of facts may disqualify the bidder.

### Please Type or Print Information

---

Company Name

DBA Name

Remittance Address

Purchase Order Address (if different)

A/R Contact

E-mail

Phone

Fax

Sales Representative

E-mail

Phone

Fax

Tax ID Number

Discount if offered, terms

Signature/Title

Date

Certifications (Please include copies of certificates):

Historically Underutilized Business (HUB)

Woman-Owned

Minority Owned

005	ABRASIVES	233	CRAFTS - SPECIALIZED
010	ACOUSTIC TILE, INSULATE MATERIAL	255	DECALS AND STAMPS
020	AGRICULTURAL EQUIPMENT	265	DRAPES, CURTAINS, UPHOLSTERY
025	AIR COMPRESSORS & ACCESSORIES	270	DRUGS, PHARMACY
031	AIR CONDITIONING & HEATING	280	ELECTRICAL CABLES & WIRE
325	ANIMAL SUPPLIES - FEED	285	ELECTRICAL EQUIPMENT & SUPPLY
040	ANIMALS - LIVE	287	ELECTRONIC COMPONENTS
045	APPLIANCES / REPAIR SERVICE	295	ELEVATORS- BUILDING TYPE
906	ARCHITECT & OTHER DESIGN	300	EMBOSSING, ENGRAVING
050	ART EQUIPMENT & SUPPLIES	290	ENERGY COLLECTING EQUIPMENT
055	AUTO & TRUCK ACCESSORIES	059	ENGINE & TRANSMISSION
060	AUTO & TRUCK MAINTENANCE ITEMS	305	ENGINEERING EQUIPMENT
070	AUTO MAJOR TRANSPORTATION	925	ENGINEERING SERVICES
075	AUTO SHOP EQUIPMENT & SUPPLIES	315	EPOXY BASED FORMULAS
928	AUTO MAINTENANCE & REPAIR	318	FARE COLLECTION EQUIPMENT & SUPPLY
929	AUTOMOTIVE TOOL REPAIR	320	FASTENERS, FASTENING DEVICES
080	BADGES & OTHER ID EQUIPMENT	330	FENCING
085	BAGS, BAGGING, TIES, EROSION	335	FERTILIZERS & SOIL CONDITIONERS
100	BARRELS, DRUMS, KEGS, CARTON	946	FINANCIAL SERVICES
101	BATTERIES	340	FIRE PROTECTION EQUIPMENT & SUPPLIES
105	BEARING (EXCEPT WHEEL)	345	FIRST AID & SAFETY EQUIPMENT
110	BELTS AND BELTING	350	FLAGS, POLES, BANNERS, ACCESSORIES
870	BLINDS, WINDOW COVERINGS	056	FLEET AUTOMOTIVE
120	BOATS, MOTORS & MARINE SUPPLY	360	FLOOR COVERING - INSTALLED
125	BOOKBINDING & BOOK SUPPLY	365	FLOOR MAINTENANCE MACHINES, PARTS
135	BRICKS & CLAY PRODUCTS	375	FOODS: ALL KINDS
150	BUILDER'S SUPPLIES	400	FOUNDRY CASTINGS, EQUIPMENT
910	BUILDING MAINT. / REPAIR SERVICE	405	FUEL, OIL, GREASE, LUBES
155	BUILDING, FABRICATED	420	FURNITURE - NON OFFICE
165	CAFETERIA & KITCHEN EQUIPMENT	425	FURNITURE - OFFICE
175	CHEMICAL LAB EQUIP & SUPPLY	435	GENERAL CONSTRUCTION
190	CHEMICAL, COMMERCIAL, BULK	440	GLASS & GLAZING SUPPLIES
061	CHEMICALS & OIL	988	GROUNDS MAINTENANCE
192	CLEANING COMPOSITION/SOLVENT	445	HAND TOOLS - POWER & NON-POWER
195	CLOCKS	450	HARDWARE AND ACCESSORIES
200	CLOTHING & APPAREL	948	HEALTH RELATED SERVICES
915	COMMUNICATIONS, MEDIA SERVICE	460	HOSES - ALL KINDS
205	COMPUTERS, DATA PROCESSING	953	INSURANCE - ALL TYPES
210	CONCRETE & METAL CULVERTS	485	JANITORIAL SUPPLIES
918	CONSULTING SERVICES	495	LAB & FIELD EQUIPMENT
220	CONTROL, RECORDING INSTRUMENTS	954	LAUNDRY & DRY CLEANING SERVICE
225	COOLER-DRINKING WATER	515	LAWN EQUIPMENT & REPAIR
015	COPY MACHINE SUPPLIES	525	LIBRARY MACHINES & SUPPLIES
232	CRAFTS - GENERAL	956	LIBRARY SERVICES

\_\_\_\_\_ 850 LINENS  
 \_\_\_\_\_ 530 LUGGAGE, BRIEFCASE, PURSE  
 \_\_\_\_\_ 540 LUMBER & RELATED PRODUCTS  
 \_\_\_\_\_ 550 MARKERS, PLAQUES, SIGNS  
 \_\_\_\_\_ 568 MEDICAL EQUIPMENT & SUPPLIES  
 \_\_\_\_\_ 575 MICROFICHE, MICROFILM  
 \_\_\_\_\_ 931 MISCELLANEOUS EQUIPMENT REPAIR  
 \_\_\_\_\_ 962 MISCELLANEOUS SERVICES  
 \_\_\_\_\_ 578 NOVELTY PRODUCTS  
 \_\_\_\_\_ 595 NURSERY STOCK & SUPPLIES  
 \_\_\_\_\_ 600 OFFICE MACHINES & REPAIR  
 \_\_\_\_\_ 615 OFFICE SUPPLIES - GENERAL  
 \_\_\_\_\_ 625 OPTICAL EQUIPMENT ACCESS. & SUPPLY  
 \_\_\_\_\_ 635 PAINTING EQUIPMENT & REPAIR  
 \_\_\_\_\_ 630 PAINTS & WALLPAPER  
 \_\_\_\_\_ 645 PAPER (OFFICE, PRINT SHOP)  
 \_\_\_\_\_ 640 PAPER & PLASTIC - DISPOSABLE  
 \_\_\_\_\_ 650 PARK/REC EQUIPMENT & REPAIR  
 \_\_\_\_\_ 655 PHOTOGRAPHIC EQUIPMENT  
 \_\_\_\_\_ 658 PIPE AND TUBING  
 \_\_\_\_\_ 659 PIPE FITTINGS  
 \_\_\_\_\_ 665 PLASTICS  
 \_\_\_\_\_ 670 PLUMBING EQUIPMENT/SUPPLY  
 \_\_\_\_\_ 675 POISONS: AGRICUL & INDUSTRY  
 \_\_\_\_\_ 680 POLICE EQUIPMENT & SUPPLY  
 \_\_\_\_\_ 651 POOL SUPPLY & EQUIPMENT  
 \_\_\_\_\_ 700 PRINTING EQUIP & SUPPLIES  
 \_\_\_\_\_ 966 PRINTING, TYPESET  
 \_\_\_\_\_ 961 PROFESSIONAL SERVICES  
 \_\_\_\_\_ 715 PUBLICATION - AUDIOVISUAL  
 \_\_\_\_\_ 720 PUMPS & ACCESSORIES  
 \_\_\_\_\_ 730 RADIO & TELE TEST EQUIPMENT  
 \_\_\_\_\_ 725 RADIO & TELECOMMUNICATION  
 \_\_\_\_\_ 735 RAGS, SHOP TOWELS  
 \_\_\_\_\_ 740 REFRIGERATION EQUIPMENT  
 \_\_\_\_\_ 975 RENTAL / LEASE EQUIPMENT  
 \_\_\_\_\_ 745 ROAD / HIGHWAY MATERIALS  
 \_\_\_\_\_ 760 ROAD / HIGHWAY EQUIPMENT  
 \_\_\_\_\_ 770 ROOFING MATERIALS  
 \_\_\_\_\_ 772 SAFETY EQUIPMENT & SUPPLIES  
 \_\_\_\_\_ 998 SALE SURPLUS & OBSOLETE  
 \_\_\_\_\_ 785 SCHOOL EQUIPMENT & SUPPLIES  
 \_\_\_\_\_ 990 SECURITY, FIRE, SAFETY SERVICE

\_\_\_\_\_ 867 SEWER UTILITY  
 \_\_\_\_\_ 800 SHOES AND BOOTS  
 \_\_\_\_\_ 801 SIGNS & SIGN MATERIAL  
 \_\_\_\_\_ 803 SOUND SYSTEMS & ACCESSORY  
 \_\_\_\_\_ 810 SOILS & MATERIALS  
 \_\_\_\_\_ 805 SPORTING & ATHLETIC EQUIPMENT  
 \_\_\_\_\_ 820 STEAM & HOT WATER BOILERS  
 \_\_\_\_\_ 815 STEAM & HOT WATER FITTING  
 \_\_\_\_\_ 830 TANKS: MOBILE, PORTABLE, STATION  
 \_\_\_\_\_ 835 TEACHING, TRAIN MATERIALS  
 \_\_\_\_\_ 840 TELEVISION EQUIPMENT & ACCESSORIES  
 \_\_\_\_\_ 845 TESTING APP/NOT ELECTRIC  
 \_\_\_\_\_ 860 TICKETS, COUPON BOOKS, ETC  
 \_\_\_\_\_ 861 TRAFFIC CONTROL MATERIALS  
 \_\_\_\_\_ 865 UTILITY SERVICE MATERIALS  
 \_\_\_\_\_ 875 VET EQUIPMENT & SUPPLIES  
 \_\_\_\_\_ 880 VISUAL EDUCATION EQUIPMENT  
 \_\_\_\_\_ 890 WATER SEWAGE TREATMENT EQUIPMENT  
 \_\_\_\_\_ 866 WATER UTILITY  
 \_\_\_\_\_ 885 WATER & SEWER TREATING CHEMICALS  
 \_\_\_\_\_ 895 WELDING SERVICE, EQUIPMENT & SUPPLY

\_\_\_\_\_ 001 Please list any item not listed or  
 include detail information here.

1.

2.

3.



## Johnson County Purchasing Department

1102 E. Kilpatrick, Suite B  
Cleburne, TX 76031  
Office: 817-556-6384 Fax: 817-556-6385  
[www.johnsoncountytx.org](http://www.johnsoncountytx.org) E-mail: [PUR@johnsoncountytx.org](mailto:PUR@johnsoncountytx.org)

### VENDOR INFORMATION FORM

Disadvantaged Business Enterprises (DBE) are encouraged to participate in Johnson County's bid process. Representatives from DBE companies should identify themselves as such and submit a copy of their Certifications.

Johnson County recognizes the certifications of both State of Texas Building and Procurement Commission Historically Underutilized Business (HUB) Program and the North Central Texas Regional Certification Agency. All companies seeking information concerning DBE certification are urged to contact:

Texas Comptroller of Public Accounts  
Historically Underutilized Business (HUB) Program  
1711 San Jacinto Blvd, Austin, TX 78701-1416  
PO Box 13186, Austin, TX 78711-3186  
(512) 463-5872  
<http://www.window.state.tx.us/procurement/prog/hub>  
Email: [rachel.snell@cpa.state.tx.us](mailto:rachel.snell@cpa.state.tx.us)

**NCTRCA** - North Central Texas Regional Certification Agency  
624 Six Flags Drive, #100, Arlington, TX 76011  
(817) 640-0606 (Office) (817) 640-6315 (Fax)  
<http://www.nctrca.org>  
Email: [mail@nctrca.org](mailto:mail@nctrca.org)

If your company is already certified, attach a copy of the certification to this form and return as part of your packet.

Company Name: \_\_\_\_\_ dba \_\_\_\_\_

Representative: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_

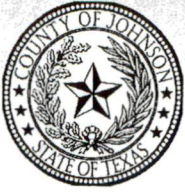
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Indicate all that Apply:

Historically Underutilized Business (HUB)       Woman-Owned       Minority Owned



## Office of The County Treasurer – Johnson County, Texas

**Kathy M. Blackwell, Treasurer**

2 N. Main St. Cleburne, TX 76033-5500

Email: [kathyb@johnsoncountytx.org](mailto:kathyb@johnsoncountytx.org)

Phone: 817-556-6341

Fax: 817-556-6342

As we all move forward to this increasingly electronic banking world, Johnson County now offers you direct deposit of funds owed to your firm. You can make your banking easier through our ACH Vendor Payment service (direct deposit) which has recently been implemented. With an ACH Vendor Payment, you can have your payments deposited directly into your checking or savings account at your designated bank, savings and loan, credit union, or any other member of an automated clearing house.

Direct deposit is safe. No worries about lost or stolen checks. No danger of fraud or forged checks. No delays because of mail lag.

We will send your remittance advice by email showing the same information previously noted on your check stub. If you do not have email capability we can fax the document to you as well.

Your payments will normally be available in your account the day following approval by commissioner's court. For example, the commissioner's meeting is at 9:00 am on the second (2nd) and fourth (4th) Monday of each month. The funds will be sent to your financial institution upon approval by the court and should be posted by your bank account on the following morning. Once the funds are posted they are available for immediate credit, as your bank should not place a hold on the funds.

After completion of this form, future payments of all invoices received will be direct deposited. It is possible to receive a check and a direct deposit the first time around. After invoices are posted in our system, we are unable to code that invoice as direct deposit.

Once you start direct deposit you will need to notify us in writing immediately if you change banks or account numbers. We will need at least a two-week written notice to stop any direct deposit.

If you would like to use our ACH payment capability, please complete the attached authorization form and return it to this office.

Thank you,

Kathy M. Blackwell  
Johnson County Treasurer

Savannah Rhodes  
Deputy Treasurer  
Email: [srhodes@johnsoncountytx.org](mailto:srhodes@johnsoncountytx.org)

JOHNSON COUNTY TREASURER  
2 N MAIN ST, RM 312  
CLEBURNE, TX 76033-5500  
PHONE: 817-556-6341 FAX: 817-556-6342  
**JOHNSON COUNTY DIRECT DEPOSIT AUTHORIZATION**

**VENDOR INFORMATION**

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

TELEPHONE NUMBER: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

VENDOR EMAIL: \_\_\_\_\_

VENDOR ID: \_\_\_\_\_  
For Office Use Only

I, the above-named Vendor authorize by my signature below, Johnson County to deposit payments due to me into the Financial Institution account referenced below. If Johnson County erroneously deposits funds into my account, I authorize Johnson County to initiate the necessary debit entries, not to exceed the total of the original amount credited for the current payment. This authorization will remain in effect until Johnson County has received written notice from me of its termination and Johnson County has had reasonable opportunity to act on it. I understand that a notice of deposit will be mailed to me by the Johnson County Treasurer's Office. To make any changes, I agree to submit a new Johnson County Direct Deposit Authorization form with the updated information. If any action or inaction taken by me results in non-acceptance of a direct deposit by the Financial Institution, I acknowledge that Johnson County has no responsibility to issue another payment until the funds are returned to Johnson County. If non-acceptance by the Financial Institution is the result of action or inaction by me, I agree that late fees and penalties will not apply to Johnson County and that Johnson County will not be responsible for any bank fees that may incur.

**FINANCIAL INSTITUTION**

NAME: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_

ACCOUNT NUMBER: \_\_\_\_\_

ROUTING NUMBER: \_\_\_\_\_

VENDER EIN: \_\_\_\_\_

CHECKING: \_\_\_\_ OR SAVINGS: \_\_\_\_

**AUTHORIZATION**

NAME: \_\_\_\_\_

(Please Print)

AUTHORIZED SIGNATURE: \_\_\_\_\_

TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_

ATTACH A COPY OF A VOIDED CHECK OR A VOID CHECK  
(Do not use deposit tickets to obtain routing number)

PLEASE RETURN THIS FORM TO THE JOHNSON COUNTY TREASURER'S OFFICE  
You may email to [kathyb@johnsoncountytexas.org](mailto:kathyb@johnsoncountytexas.org)

# Compliance with Johnson County Restriction Regarding the Delivery of Goods and Services to the Guinn Justice Center

Johnson County does not allow the following persons to enter secured areas of the Guinn Justice Center: (1) persons that have been convicted of a felony criminal offense, (2) persons that have been arrested for a Class B or above criminal offense and released on a bail bond, (3) persons that have a pending Class B or above criminal court case, and (4) persons with a civil or family law case pending in a court located in the Guinn Justice Center. Please ensure that persons convicted of a felony criminal offense, persons arrested for a Class B or above criminal offense and released on a bail bond, persons with a pending Class B or above criminal court case, and persons with a civil or family law case pending in a court located in the Guinn Justice Center are not actively involved with the delivery of products or services to the Guinn Justice Center located at 204 South Buffalo Avenue, Cleburne, TX 76033.

---

Company Name

Address

---

Signature

Title

Date

---

Email

Phone

## Request for Taxpayer Identification Number and Certification

Give Form to the  
requester. Do not  
send to the IRS.

▶ Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	<p><b>1</b> Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.</p>	
	<p><b>2</b> Business name/disregarded entity name, if different from above</p>	
	<p><b>3</b> Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.</p> <p> <input type="checkbox"/> Individual/sole proprietor or single-member LLC               <input type="checkbox"/> C Corporation               <input type="checkbox"/> S Corporation               <input type="checkbox"/> Partnership               <input type="checkbox"/> Trust/estate  <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____  <small>Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</small>  <input type="checkbox"/> Other (see instructions) ▶ _____         </p>	<p><b>4</b> Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):</p> <p>Exempt payee code (if any) _____</p> <p>Exemption from FATCA reporting code (if any) _____</p> <p><small>(Applies to accounts maintained outside the U.S.)</small></p>
	<p><b>5</b> Address (number, street, and apt. or suite no.) See instructions.</p>	<p>Requester's name and address (optional)</p>
	<p><b>6</b> City, state, and ZIP code</p>	
	<p><b>7</b> List account number(s) here (optional)</p>	

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

<b>Social security number</b>					
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	-		-		
<b>or</b>					
<b>Employer identification number</b>					
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 5%; text-align: center;">-</td> <td style="width: 70%; border: 1px solid black; height: 20px;"></td> </tr> </table>		-			
	-				

### 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. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**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 for Part II, later.

<b>Sign Here</b>	<p>Signature of U.S. person ▶ _____</p>	<p>Date ▶ _____</p>
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## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

**Note:** If you are a U.S. person and 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.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

## Backup Withholding

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, 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,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
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 *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

## What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

## Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

## 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

### Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

**a. Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

**Note: ITIN applicant:** Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

**b. Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

**c. Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

**d. Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. 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 line 2.

**e. Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

### Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

### Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

### Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

#### Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 5 <sup>2</sup>
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

**Exemption from FATCA reporting code.** The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

**Note:** You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

### Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

### Line 6

Enter your city, state, and ZIP code.

## 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.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note:** See *What Name and Number To Give the Requester*, later, 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 SSA office or get this form online at [www.SSA.gov](http://www.SSA.gov). You may also get this form by calling 1-800-772-1213. Use 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 apply for an EIN online by accessing the IRS website at [www.irs.gov/Businesses](http://www.irs.gov/Businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. Go to [www.irs.gov/Forms](http://www.irs.gov/Forms) to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to [www.irs.gov/OrderForms](http://www.irs.gov/OrderForms) to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and 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:** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded U.S. 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 item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

**Signature requirements.** Complete the certification as indicated in items 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 made in settlement of payment card and third party network transactions, 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), ABLÉ accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

**What Name and Number To Give the Requester**

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
5. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee <sup>1</sup> The actual owner <sup>1</sup>
6. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>3</sup>
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor <sup>4</sup>
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. 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
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

<sup>1</sup> 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.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the 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.) Also see *Special rules for partnerships*, earlier.

\*Note: The grantor also must provide a Form W-9 to trustee of trust.

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.

**Secure Your Tax Records From Identity Theft**

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.** Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at [spam@uce.gov](mailto:spam@uce.gov) or report them at [www.ftc.gov/complaint](http://www.ftc.gov/complaint). You can contact the FTC at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see [www.IdentityTheft.gov](http://www.IdentityTheft.gov) and Pub. 5027.

Visit [www.irs.gov/IdentityTheft](http://www.irs.gov/IdentityTheft) to learn more about identity theft and how to reduce your risk.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

## County of Johnson, Texas

Ralph McBroom, C.P.M.  
Purchasing Agent  
ramcbroom@johnsoncountytexas.org



Tannah Malott  
Assistant Purchasing Agent  
tmalott@johnsoncountytexas.org

1102 E. Kilpatrick, Suite B  
Cleburne, Texas 76031  
(817) 556-6382  
Fax (817) 556-6385

To: Vendors of Johnson County, Texas  
From: Ralph McBroom, C.P.M.  
Re: Conflict of Interest Form (CIQ)

Vendor;

Attached, please find a Conflict of Interest Questionnaire. Please complete this form if you have an applicable Conflict of Interest with any Johnson County Official, Employee, or Department. The questionnaire should reflect the name of the individual with whom the conflict of interest occurs. Please **DO NOT** complete this form if you do not have a viable conflict. If you have any questions, contact the Purchasing Office at 817-556-6384.

Original completed forms should be sent/mailed to the Johnson County Purchasing Office located at the address listed below and or emailed to [pur@johnsoncountytexas.org](mailto:pur@johnsoncountytexas.org)

**Johnson County Purchasing Office**  
**1102 East Kilpatrick, St. B**  
**Cleburne, TX 76031**

By submitting a response to this the request a vendor represents that it is in compliance with the requirements of Chapter 176 of the Texas Local Government Code.

### *Applicable Law*

Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a local government entity disclose in the Questionnaire Form CIQ, the vendor or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. By law, this questionnaire must be filed with the records administrator of Johnson County no later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code. Please see attached questionnaire

# CONFLICT OF INTEREST QUESTIONNAIRE

# FORM CIQ

For vendor or other person doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

## OFFICE USE ONLY

Date Received

1 Name of person who has a business relationship with local governmental entity.

2  Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3 Name of local government officer with whom filer has employment or business relationship.

\_\_\_\_\_  
Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

Yes  No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

Yes  No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

Yes  No

D. Describe each employment or business relationship with the local government officer named in this section.

4

\_\_\_\_\_  
Signature of person doing business with the governmental entity

\_\_\_\_\_  
Date

## CONFLICT OF INTEREST QUESTIONNAIRE

### For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

**Local Government Code § 176.001(1-a)**: "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

**Local Government Code § 176.003(a)(2)(A) and (B)**:

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

\*\*\*

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed; or

or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

**Local Government Code § 176.006(a) and (a-1)**

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.