

CLARE COUNTY PURCHASING POLICY

Amended January 2013

Scope of Authority:

Michigan Law (Board of Supervisors Act, 156 P.A. 1851 as amended) MCLA 46.11(j) provides the County Board of Commissioners the statutory responsibility for all County budgetary decisions and gives the County Board of Commissioners authority to establish policies necessary for department directors and managers to carry out purchasing responsibilities.

PLEASE NOTE: This policy applies to all County purchases made pursuant to the annual Clare County budget as adopted and amended and encompasses all County entities that fall under the Tax ID #38-6004842.

Mission and Purpose:

The Board of Commissioners of Clare County and the Administrator seek to provide best practices in order to acquire maximum value for goods and services used in the operation of Clare County. This requires a policy that strongly links communication between the Board of Commissioners, the Administrator's Office and all departments within Clare County.

The intent of this Policy is to establish efficient, transparent, open, and competitive procedures and processes for the acquisition of supplies, services, and equipment at the lowest possible cost commensurate with quality needed, to exercise positive financial control over purchases, to clearly define authority for the purchasing function, and to assure the quality of purchases.

It also is the goal of this Policy to recognize the obligation to the taxpayers to maximize the purchasing power of public funds to gain the best value for our residents. The County will comply with all applicable Federal and State laws concerning public purchasing.

Function Overview:

Purchasing is a function of the Administrator's Office, which reports to the Clare County Board of Commissioners. The Purchasing Policy provides guidelines that serve the County in the exploration, selection, acquisition, and utilization of goods and services necessary to its operation, and to provide accountability for County expenditures.

The Purchasing Policy is designed to:

- secure the proper requirements
- in a timely fashion
- from the qualified vendor
- at a reasonable value for Clare County

It is the intent of the Clare County Board of Commissioners and the Administrator's Office to maintain good public relations with the departments that it serves, with vendors, and with the public. The Administrator's Office seeks to assure fair treatment, at all times, so that common interests are preserved.

Role of Administrator's Office:

The role of the Administrator's Office pertaining to the Purchasing Policy is to provide the County with the following services:

- Administration of Purchasing Policy
- Leadership for Continuous Improvement of Purchasing Policy
- Training and Support
- Negotiation with Vendors
- Maintenance of Vendor Files
- Coordination of County-wide Bidding of Common Items
- Negotiation of Maintenance/Service, Financing and Other Purchasing-related Contracts
- Preparation of Reports for Board of Commissioners
- Maintenance of Purchase Order Archives

PURCHASING POLICY

Provision Exclusions:

The following kinds of services, goods, and materials are hereby specifically exempted from the competitive selection provisions of this Policy:

1. Employment of temporary, part-time, or full-time employees of the County.
2. Collective bargaining agreements covering agreements between employees associations and the County.
3. The Board of Commissioners policy for banking, daily cash management, short-term investments, stock investments, asset management of annuity trusts, and related matters. (Refer to Investment Policy)
4. Professional service contracts with the independent auditors, who conduct the annual audit of the County and legal counsel, who are contracted for by the Board of Commissioners or Administrator.
5. The rental, lease or purchase of real estate.
6. Purchase of utilities (gas, water, sewage, electricity, etc.). The Board of Commissioners/Administrator's Office shall have the authority and duty to purchase or contract for all utilities required by the County.
7. The purchase of insurance. The Board of Commissioners/Administrator's Office shall have the authority and duty to purchase or contract for insurance required by the County.
8. All purchases of and contracts for goods, supplies, and contractual services approved by or authorized by the Board of Commissioners.
9. Purchases using Federal or State funds shall follow procedures required by the federal or state agency providing the funds. The department director shall be responsible for ensuring that County purchases comply with applicable Federal or State procedures or requirements.

Purchasing Manual

Introduction:

The following procedures have been developed to address the following goals:

- Enable departments to obtain goods and services in a timely and efficient manner;
- Ensure that the County resources are used wisely and in accordance with Generally Accepted Accounting Principles (GAAP), federal, state, and local laws;
- Assure taxpayers that the County is receiving maximum dollar value for expenditures; and
- Keep purchases within budgetary limits by securing only those goods and services for which funds have been approved.

There are two options available for purchasing goods/services at Clare County:

1. Purchase Order
2. County Credit Card (See Credit Card Policy, Attachment A.)

The purchasing manual provides guidelines in determining what procedures are to be followed in every step of the purchasing process.

In all cases, whether using a Purchasing Order or a County Credit Card, the authority to purchase is the responsibility of the department head and ultimately, the Administrator. All employees must adhere to the Purchasing Code of Ethics, Board Purchasing Policies and Procedures, which have been instituted by the Administrator's Office and the Clare County Board of Commissioners.

PURCHASING CODE OF ETHICS

- A. Purchasing must be undertaken in such a way as not to endanger the public trust in County staff. The County shall strive to obtain the maximum value for each dollar of expenditure.
 1. Give first consideration to the objectives and policies of Clare County.
 2. Strive to obtain the maximum value for each dollar of expenditure.
 3. Decline personal gifts, gratuities, any money or anything of value, or any promise, obligations, or contract for future reward or compensation.
 4. Grant all competitive suppliers equal consideration insofar as state or federal statute and institutional policy permit.

5. Conduct business with potential and current suppliers in an atmosphere of good faith, devoid of intentional misrepresentation.
 6. Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.
 7. Receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes.
 8. Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a supplier; and or be willing to submit any major controversies to arbitration or other third-party review, insofar as the established policies of Clare County permit.
 9. Accord a prompt and courteous reception, insofar as conditions permit, to all who call on legitimate business missions.
 10. Cooperate with trade, industrial and professional associations and with governmental and private agencies for the purpose of promoting and developing sound business methods.
 11. Foster fair, ethical and legal trade practices.
- B. Unless otherwise allowed by statute, no County official or employee shall be financially interested, or have any personal beneficial interest, directly or indirectly, in any contract or purchase order for supplies, materials, equipment, or contractual services used or furnished to any department or agency of Clare County. (See Conflict of Interest Policy, Attachment B.)
- C. In selecting vendors and suppliers, the County may give consideration to purchasing only from suppliers who have adequate financial strength, exhibit acceptable ethical standards, and have a reputation of adhering to specifications, maintaining shipping promises and provide a full measure of service. Non-performing suppliers and contractors will be documented and the experience will be considered in future decisions and recommendations.

PURCHASES

Purchases made pursuant to this policy shall be consistent with good business practices and in accordance with the ethical standards of generally accepted accounting principles and of all applicable local, state and federal laws.

1. Purchases of and Contracts for Goods, Supplies, and Contractual Services:
 - a. All purchases of and contracts for goods, supplies, and contractual services required by Clare County shall be made in accordance with this policy.

- b. The County requires that funds be encumbered against the applicable line items prior to any commitment to a vendor.
 - c. **No contract or purchase can be subdivided to avoid the requirements of this policy.**
 - d. All vendors providing a service for Clare County are required to submit a W-9 Form and Certificate of Liability Insurance or Sole Proprietor Form. Forms may be obtained in the Accounting Department. If such documentation is not submitted, payment will be held until such a time that the documentation is received. Prior to submission of the invoice, please confirm with the Accounting Department that the proper documentation is on file.
2. Deficit Spending in Line Items:
- a. Department heads may transfer funds from one line-item to another **within the same department, excluding payroll line items**, by submitting a Budget Adjustment request to the County Administrator. Funds transferred between departments or related to payroll must be approved by the Board of Commissioners. **Under no circumstances may a department overspend the budget allocations.** As soon as a department head realizes that spending will exceed a budget allocation, a request for a budget supplement should be prepared stating the amount and reason for the overrun.
3. Budget changes in any Personnel or Capital Outlay line item shall require the approval of the Board of Commissioners.
4. Travel Expenses must be submitted for payment within 60 days of occurrence. If not submitted within the 60 days, approval will need to be obtained for payment by the County Board of Commissioners.

IMPLEMENTATION OF PURCHASING POLICY:

The Administrator shall, with the approval of the Clare County Board of Commissioners, establish and amend, where necessary, all rules and regulations consistent with this policy for the implementation of the policy.

PURCHASE ORDERS:

Purchase Orders should be used to process ALL orders regardless of cost. Minimal costs may be accumulated until the total cost reaches \$500 or the end of each month, whichever is sooner (see OPEN PURCHASE ORDERS).

PURCHASE ORDER APPROVALS:

\$ 0 to \$6,000	Administrator (see unusual expenditures)
\$ 6001 and above	Clare County Board of Commissioners
\$ 6,001 to \$9,999	Requires 3 quotes
\$ 10,000 to 19,999	Sealed bids required (see Bids)
\$ 20,000 and above	Sealed bids and advertising required

Authority to Purchase:

Authority to purchase for orders with a total cost of \$6000 or less has been delegated from the Board of Commissioners to the Administrator. ALL expenditures are to be approved by the Administrator.

NOTE: ONLY THOSE INDIVIDUALS AUTHORIZED FOR PURCHASE APPROVALS can commit the County to an external purchase. Individuals making unauthorized or unapproved purchases may be subject to disciplinary action.

Process:

Items considered routine in the normal course of business (office supplies, legal fees etc...) are to be accounted for by a pre-approved Purchase Order (P.O.). When using a County Credit Card the same applies. The P.O. will be prepared by the department, signed by the department head and submitted to the Administrator's Office where it will be expensed through the Purchase Order process.

Terms of warranty:

Terms of warranty are to be indicated on the Purchase Order if applicable. Many items are delivered with a warranty certificate attached. It is the ordering department's responsibility to record these warranties and submit a copy to the Administrator's Office.

Out of the Ordinary (Unusual) Expenditures:

The Administrator has authority to approve unusual, extraordinary and emergency circumstance expenditures \$6,000 or less in cost. ALL out of the ordinary expenditures must be requested via a Purchase Order and submitted to the Administrator's Office for approval. If the aforementioned expenditures exceed \$6,000, Board of Commissioner approval is required.

OPEN PURCHASE ORDERS:

Open purchase orders are open or standing authorizations against departments that may request materials or services directly from the vendor. **Open purchase orders are line item and dollar amount specific.** Such orders are authorized by the Administrator's Office by exception, providing certain circumstances exist and specified considerations can be met. (See below.) Open P.O.'s are generally authorized for departments where the frequency/variety of small orders from one vendor is such that the volume of paperwork would be costly, inefficient, and prohibitive.

An open purchase order should meet the following requirements:

1. Items are required on a substantially frequent basis.
2. Material is of an expendable or consumable nature (capital equipment are not permissible)
3. The Purchase Order is restricted to a specified dollar amount.

Open orders are to be accumulated up to a cost of \$500 or until the end of the month, whichever is sooner, and submitted via a P.O. to the Administrator's Office.

Archiving: The Administrator's Office will keep a copy of the Purchase Order and the original will be submitted with the invoice for payment to the Accounts Payable Office where it will be maintained for seven (7) years.

BIDS and BID PROCESS:

For ALL purchases, the requesting department should contact the Administrator's Office with a Purchase Order request that includes:

- Brief description
- Estimated Cost
- Justification
- Recommended vendor(s)

All County purchases and contracts for goods/services with a total dollar amount of \$3,001 or more require competitive, written bids, which are sent to not less than three (3) suppliers. Any department requesting bids should contact the Administrator's Office **PRIOR TO ANY** request for bids to ensure proper bid procedures are followed. If unable to obtain three (3) bids, a justification must be submitted. In emergency situations, the Administrator or Board of Commissioners may waive the bid process requirement.

Advertising to solicit bids:

Advertising is required for expenditures in excess of \$20,000. These bids will be advertised in a paper of local circulation and/or other sources as appropriate.

Receipts of Bids and Quotations:

The Administrator's Office receives bids and quotations on or before the due date. Bids and quotations may be hand delivered, faxed, mailed, or sent special delivery, unless otherwise indicated in the bid specification.

It is the bidder's responsibility to make sure bids and quotations are received in the Administrator's Office on or before the due date and time and that the information contained in the bids and quotations is correct and meets specifications. This responsibility rests entirely with the bidder. **LATE BIDS WILL NOT BE ACCEPTED or CONSIDERED** except under the following circumstances: 1) bids received on time do not meet specifications or 2) no other bids are received.

Once bids and quotations are received in the Administrator's Office, the documents are dated and placed in the appropriate file. The envelope will be opened the date and time established in the bidding documents. If the bids are late, they are marked late and will not be used unless one of the circumstances listed above exists. Late bids will be kept with the bid file. When letters are sent out notifying bidders of the results, they will be notified as to the policy regarding late bids.

After bids have been opened, copies of the bids are given to the requesting department by the Administrator's Office and discussed. The vendor of choice is selected and a request for

approval is submitted to the Board of Commissioners. Clare County reserves the right to accept or reject any and all bids deemed to be in the best interest of the County.

The Purchase Order is prepared by the requesting department. The bid date should be included. The Purchase Order must be approved by the Board of Commissioners prior to contacting the vendor. The Administrator's Office is responsible for contacting the bidders to announce awarded bid via letter to each vendor.

Awarding Bids:

In awarding bids, the following factors, in addition to price shall be considered:

1. the ability, capacity, and skill of the bidder to perform the contract or provide the service required;
2. the ability to perform the contract or provide the service promptly, or within the time specified, without delay or interference;
3. the character, integrity, reputation, judgment, experience, and efficiency of the bidder;
4. the quality of performance of previous contracts of service.
5. the previous and existing compliance by the bidder with the laws and regulations relating to the contractor's service and applicable civil rights laws;
6. the sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service.
7. the quality, availability, and adaptability of the supplies or contractual services to the particular use required.
8. the ability of the bidder to provide future maintenance and service for the use of the subject of the contract.
9. the number and scope of conditions attached to the Request for Quotation or Request for Proposal; and
10. other factors deemed in the best interest of Clare County.
11. **Local Preference.** If all bids received are reasonably equivalent, other than with respect to cost, bidders whose businesses are located within Clare County shall be given preference.

Archiving Bids:

The Administrator's Office will keep the ORIGINAL bid, including all original applicable backup materials. The Administrator's Office will maintain files for three (3) years.

IMPLEMENTATION OF BID POLICY:

The Administrator shall, with the approval of the Clare County Board of Commissioners, establish and amend, where necessary, all rules and regulations consistent with this policy for the implementation of the policy.

BUDGET, ACTIVITIES, ACCOUNTS:

Fund designations, activity designations and budget line designations are established and published by the Administrator's Office. Orders to suppliers may be processed only against established line items which have sufficient funds and which bear the signatures (approval) of the appropriate individuals authorized to administer the account.

Clare County will endeavor to buy competitive products and services produced/manufactured or distributed locally whenever possible.

CONFLICT OF INTEREST:

The Conflict of Interest Policy is a Board of Commissioners-approved policy. In brief, this states, "no Clare County employee shall be a party, directly, or indirectly to any contract between him or herself and the County." (See Conflict of Interest Policy, Attachment B.)

LEASE OF EQUIPMENT/PROPERTY:

Lease/installment purchase agreement activity MUST be approved by the Board of Commissioners prior to any authorization and filed with the County Clerk.

MAINTENANCE AGREEMENTS:

Maintenance agreements are established to properly protect and maintain County-owned equipment. Such agreements are restricted to a specific period of time and are the sole responsibility of the Department Heads. It is the responsibility of the department, once a P.O. is issued for maintenance service, to see that the service is performed in accordance with the terms of the agreement. If service is not rendered or is not satisfactory, the Administrator's Office should be notified.

RECIPROCITY:

The County does not engage in or submit to the practice of reciprocity in any purchase transactions. Business is awarded only on the basis of what is best for the County.

TAX EXEMPT

Clare County is exempt from the payment of Federal and State taxes on most transactions. Tax exemption certificates or other evidence of tax exemption will be provided by the Clerk's Office when requested by vendors. The tax-exempt number for Clare County is:

38-6004842

FAILURE TO FOLLOW POLICY:

The County shall not be responsible for the costs of goods and services ordered or purchased by any County official or employee that are not obtained in accordance with this policy. Contracts negotiated outside of this policy will be considered invalid and non-binding.

CLARE COUNTY CREDIT CARD POLICY

Section 1. Purpose and Intent:

The purpose of this policy is to:

- A. Comply with Public Act 266 of 1995 signed by the Governor on January 8, 1996. This Act requires adoption of a written policy regarding the issuance and use of County credit cards.
- B. Carry out the direction of the County Board of Commissioners for the issuance, accounting, monitoring, and retrieval and to promulgate policies necessary for the implementation of the credit card policy.

Section 2. Credit Limit:

The authorized credit limit for any County credit card **shall not exceed \$5,000.**

Section 3. Responsibilities of the County Administrator and the County Sheriff:

The County Administrator is officially designated as the officer responsible for the issuance, accounting, monitoring and retrieval; and generally for overseeing compliance with this credit card policy for the Government Center.

The County Sheriff is officially designated as the officer responsible for the issuance, accounting, monitoring and retrieval; and generally for overseeing compliance with this credit card policy for the Sheriff's Office.

Section 4. Use of County Credit Cards:

A. Authorized Users:

- 1. Only authorized County Commissioners, Elected Officials, County employees and committee members of the Government Center are permitted to use County credit cards issued to Clare County.

B. Type of Use:

- 1. County credit cards may be used for authorized travel and expenses related to the attendance of conferences, extraditions, etc.
- 2. Upon approval of the County Administrator, County credit cards may be used for the purchase of goods necessary to carry out

official County business or where it can be substantiated that the use of a credit card was in the best interest of the County.

3. County credit cards **will not** be used for personal use of any kind.

C. Check out and return:

1. All County credit cards must be checked out and returned to the officer responsible for the credit card. No County credit card shall be carried on any person when not on County business.
2. Tax exempt status forms are available for use when the credit card is checked out.

D. Required Documentation:

1. Department Heads are responsible for overseeing the use and documentation of County credit cards by their employees and committee members. All documentation must be submitted for payment in a timely matter to avoid being charged late fees and penalties by the Credit Card Company.
2. For all credit card transactions the person authorized to use a credit card will submit to the Administrator's Office documentation sufficient to satisfy Internal Revenue Service requirements for employee business expenses. *This documentation will include the credit card slip (customer copy) along with a receipt of invoice from the vendor that documents the goods or services purchased, the cost of the goods or services and the date of the purchase. Each receipt will also indicate the official County business for which the expense was incurred.*
3. Completed purchase orders including general ledger line numbers must be submitted with the above documentation signed by the Department Head or official using the credit card.
4. Credit card statements or invoices will be subject to existing internal accounting controls related to purchasing and the disbursement of County funds.

E. Payment Processing:

1. Credit card invoices will be processed for payment by the County Administrator upon receipt of proper documentation referenced in Section 4D, 1-4.
2. Credit card balances, including interest due on an extension of credit, shall be paid when dues as indicated per the statement.
3. Delay in presenting proper documentation that results in interest charges incurred will be charged to the general ledger line number presented on the purchase order.

Section 5. Lost or Stolen Cards:

The employee or official issued a County credit card is responsible for its protection and custody, and shall immediately notify the County Administrator or County Sheriff if a County credit card is lost or stolen.

Section 6. Unauthorized Use or Failure to Comply with this Policy:

Unauthorized or duplication of credit card data or excessive use of a county credit card will subject the employee or official to disciplinary measures including termination consistent with County policy and applicable statutes. Failure to comply with the credit card policy will result in the immediate withdrawal of authorization to use a County credit card.

Section 7. Amendments:

This policy and subsequent procedures can be amended upon recommendation of the County Administrator or County Sheriff with approval by the County Board of Commissioners.

I do hereby certify that the above Credit Card policy was amended by the Clare County Board of Commissioners on January 15, 2013.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Harrison, this 15th day of January 2013.

Pamela Mayfield, County Clerk

CONFLICT OF INTEREST POLICY

The Clare County Board of Commissioners has the primary responsibility for determining if county personnel have a direct or indirect involvement in material transactions with outside parties that may not be beneficial to the County. In furtherance of this effort, it is desirable to obtain written statements from all key employees, elected officials, and board, commission or committee appointees of the County concerning potential conflicts of interest.

Key employees, elected officials (“elected officials”), and board, commission, or committee appointees (“appointees”) are those persons associated with the County who, by virtue of their duties, are in a position to do any one or more of the following:

- 1) bind the County in a contractual manner,
- 2) order or recommend the ordering of various goods and services, or participate in formulation of county policy,
- 3) supervise or control the dispensation of County goods and services,
- 4) supervise or control accounting or financial recordkeeping for any County department.

By virtue of the discretionary power granted to such personnel to ensure the efficient functioning of the County, conflict of interest situations may arise. For this reason, these personnel are required to adhere to the County’s conflict of interest policy whereby potential conflicts may be reviewed by the Finance and Administration Committee and the Board of Commissioners to ensure that transactions are conducted in the best interests of the County.

The following County personnel are considered key employees, elected officials and board, commission, or committee appointees for purposes of this policy:

Prosecutor
 Sheriff
 Treasurer
 Clerk/Register of Deeds/Abs
 Drain Commissioner
 Board Chair
 Commissioner
 Equalization Director
 Information Technology
 Emergency Management Director
 Central Dispatch Director
 Veterans Affairs Director

Community Development Director
Senior Services Director
County Administrator

MEMBERS OF ALL BOARDS, COMMISSIONS, AND COMMITTEES APPOINTED
BY THE BOARD OF COMMISSIONERS

Each of the above listed personnel will be required to sign the attached Conflict of Interest Statement and make required disclosures upon employment with Clare County or, in the case of elected officials, upon assuming office, or in the case of appointees of boards, commissions and committees, upon appointment by the Board of Commissioners. The signed copy is deemed to indicate that the individual understands the policy and will follow the policy while he or she is employed, appointed, or holding elected office on behalf of the County. In addition, a copy of the Conflict of Interest Statement will be sent to all the above listed personnel by the 1st of each year. The copy of the policy will serve as a reminder of the provisions of the policy and will give each individual a yearly opportunity to disclose conflicts. If a conflict of interest situation of the type described in the Statement should develop at any time, and where the conflict is expected to be ongoing, a statement outlining the details shall be filed with the County Administrator. After reporting the potential conflict of interest, the individual should take no further action with regard to the conflict unless approval is granted by the Finance and Administration Committee. Action – specific conflicts and one-time abstentions may be handled in accordance with procedures outlined in the Board’s Legal Handbook / Conflict of Interest Statement and Disclosure sections.

CONFLICT OF INTEREST STATEMENT

To key Employees, Elected Officials and County Appointees to Boards or Commissions of Clare County:

The County respects the right of its employees, elected officials, and appointees in their endeavors outside their County employment or office, which are private in nature and which in no way conflict with or reflect upon the County. These personnel have been carefully selected for their integrity and judgment. The County expects that no employee, elected official or appointee will use his or her position with the County for personal gain. However, to avoid any misunderstanding in County dealings, the following policy statement is promulgated:

Policy Statement

1. County personnel must avoid incurring any kind of financial or personal obligation, which might affect their judgment in dealing for the County with outside firms or individuals. Personnel must examine their own activities and those of their families to be sure that no condition exists, which creates a conflict of interest with respect to transactions with the County.
2. For the purposes of this statement, whenever County personnel are asked to review their actions for possible conflicts of interest, the wording used shall be deemed to mean that they must review and disclose conflicts of interest involving themselves and any of the following persons or groups:
 - a) Family members.
 - b) Organizations in which county personnel or family members are officers, directors, or either directly or indirectly, stockholders or partners.
 - c) Trusts or estates in which county personnel or family members have a beneficial interest, or for which they act in a fiduciary capacity.

For purposes of this disclosure statement, family shall be defined to include spouses, parents, brothers, sisters, children, nieces, nephews, spouses of brothers, sisters, and children, and spouses' parents, brothers, and sisters. However, employees, elected officials and appointees are considered responsible for knowing and reporting only those potential conflict of interest situations involving their spouses or other family members they constructively control. Potential conflict of interest situations involving other family members must be reported only if the employee has personal knowledge of those individuals' affairs. Key employees, elected officials and appointees are not required to affirmatively research the financial backgrounds of members of their families beyond their spouses and those whom they constructively control.

3. The following situations have strong potential for conflict of interest and must be disclosed in writing:
 - a) Holding a financial interest (including stockholder, partner, joint venture, or creditor, guarantor, or director) in a firm which provides services, supplies, materials or equipment to the County, or in a firm to which the County provides services.

Note: The holding of any security of a publicly owned corporation (i.e., one whose stock is registered with the Securities and Exchange Commission) not exceeding 1% of the outstanding value of the security in question will not be deemed to present a potential conflict of interest.

- b) Speculating or dealing in equipment, supplies, materials or property purchased by the County, or speculating or dealing on one's own account in services or products provided by the County.
- c) Borrowing money (either singularly or in accumulation) in excess of one hundred dollars (\$100) within a twelve-month period from any supplier or customer or from any individual or firm with whom the county does business. Mortgages securing real property which is the principal residence of the County employee, official or appointee or his or her spouse, and retail installment transactions which are transacted with recognized financial institutions, need not be included.
- d) Acceptance of gifts or favors by the County employee, official or appointee, or his or her family, or acceptance of entertainment or other personal obligations, from an outside organization or individual (excluding family members) which are substantial enough to be likely to influence an ordinary person in the selection of goods and services for the County is prohibited. This does not apply to acceptance of perishable or consumable gifts of nominal value, or reasonable personal entertainment, but care must be exercised to ensure that acceptance of such items does not create an actual or perceived obligation. For purposes of this statement, any gift, favor, entertainment, or other personal obligation valued at over twenty-five dollars (\$25), or any aggregation of such gifts valued in excess of fifty dollars (\$50) within a twelve-month period, shall be deemed substantial. All such substantial gifts shall be returned to the donor with an explanation that County policy will not permit acceptance of the gift.
- e) Acquiring, by purchase or lease, real estate in which it is known the County has an interest, or which may improve in value because of the County's interest in adjoining property.
- f) Misusing information to which the County employee, official or appointee has access by reason of his or her position, including unauthorized disclosure of confidential information to competitors or others, such that either the County employee, official or appointee or the recipient of the information is likely to receive a financial benefit or the County will suffer a financial detriment.
- g) Any outside employment.

Outside Employment

Clare County employees may engage in work outside their County employment with the prior approval of their department directors and the County Administrator, provided that said work does not interfere with the quality and quantity of the employee's County employment.

- (i) No employee may be employed simultaneously by Clare County and any employer who is a contractor for the County or whose business is directly affected by County actions.
- (ii) No employee of a department or program funded in whole or in part by a grant from, or contract with, the State of Michigan, an agency of the federal government or private or public foundation may engage in simultaneous employment with the funding source or with any other employer who is also a contractor for the funding source or whose business is directly affected by the actions of the funding source.
- (iii) Any employee who is determined to have a conflict of interest because of dual employment shall be required to resign from either the County or the external position.

Subsections (4), (5), and (6) below apply to all key employees as a condition of employment, and appointees as a condition of appointment. Elected officials are encouraged to comply with subsections (4), (5), and (6) but are not required to do so.

4. Employees and appointees must disclose potential conflicts of interest pursuant to this Policy in writing to the Finance and Administration Committee. Thereafter, the employee or appointee should suspend further activities related to the potential conflict unless continuation of such activities is approved by the Board of Commissioners.
5. It is the responsibility of the Finance and Administration Committee of the Board of Commissioners to act on statements of potential conflict, determine if a conflict exists, and take any action necessary to protect the County's interests. Where the Finance and Administration Committee determines that a conflict of interest exists, it shall notify the affected employee or appointee of necessary corrective action before any penalty or remedy is imposed by the County. Failure to disclose a conflict will be subject to penalty or remedial action to be determined based upon the seriousness of the conflict and the performance record of the employee or appointee involved. Decisions of the Finance and Administration Committee

may be appealed to the Board of Commissioners by the affected employee or appointee.

6. This statement and policy shall be enforced independently of the County's normal disciplinary procedures. Conflicts of interest may be deemed to violate other provisions of County policy, in which case they will be remedied in accordance with those provisions. Conflicts of interest that are not the subject of other County policies may be remedied in accordance with this statement and policy.
7. The foregoing statement is to be understood to refer to all county affairs and any of the County's pension, retirement, savings or similar plans with which key employees, elected officials or appointees may be involved.

CONFLICT OF INTEREST STATEMENT

I have read and understand this Conflict of Interest Statement. There are no present or potential conflicts of interest other than those listed below. I have and will continue to observe the Conflict of Interest Policy.

Signature

Date

DISCLOSURES: (Indicate none if applicable. Otherwise please provide a brief explanation of the conflict).