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Chapter 3.04FUND ACCOUNTS\*Sections:

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3.04.010 Establishment. The city council shall have the power by resolution to provide for the establishment of

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\* For statutory provisions on city financial powers, see Gov. Code §37201 et seq.; for provisions on city power to purchase and control of property, see Gov. Code §37350; for provisions on funds generally, see Gov. Code §43400 et seq.

such fund accounts as in its opinion shall be necessary, convenient, or proper for the orderly conduct and accounting of the fiscal affairs of the city. (Ord. 86 §1, 1949).

3.04.020 Apportionment. The city council shall have the power by resolution to provide for the apportionment to the several fund accounts established by the council of all

rentals and other sources, the moneys from which are not required by law to be used or kept for prescribed purposes. (Ord. 86 §2, 1949).

3.04.030 Rules for expenditures. The city council shall have the power by resolution to provide rules for the payment of certain expenditures or classes of expenditures from any one or more of the several fund accounts. (Ord. 86 §3, 1949).

3.04.040 Inventory and accounting. The city council may by resolution provide that certain officials of the city to be designated by the council shall, from time to time and, at least yearly, make a full and complete inventory of the physical property of the city and an accounting of all property and supplies purchased or acquired by such officials, and the department of the city for the property of which such official may be made responsible by the council. The council may by resolution direct the form and content of such inventory and the method of accounting to be adopted and used in making the same. (Ord. 86 §4, 1949).

3.04.050 Payment from designated fund. The city clerk shall designate the fund account from which payment shall be made for any requisitioned supplies, equipment or other physical property, or for which other expenditure is to be made, and no requisition shall be made or drawn when there is not sufficient money in the fund so designated after the payment of all previous requisitions and approved claims, to pay for the requisitioned supplies, equipment or other physical property in full; provided, however, that the city council may by resolution authorize registration of warrants for a period not to exceed six months at any one time. (Ord. 86 §8, 1949).

3.04.060 Reports and estimates. The city council may, by resolution or motion entered upon its minutes, require any city officer or employee to make any reports and render any accounts required by the city council in such resolution or motion, and may likewise require any city officer or employee to make an itemized estimate of receipts from sources other than from taxation, franchises, license fees and taxes which may accrue to the city through the operation of the department under the control of such officer or employee, and also an itemized estimate of expenditures. Such estimates of receipts and expenditures shall be for such period as the council may direct. For the purposes of this chapter, the trustees and employees of the Carnegie Library, insofar as funds derived from the city are concerned, shall be deemed to be officers and employees of the city, but for no other purpose except as otherwise provided by law. (Ord. 86 §9, 1949).

3.04.070 Water works operating fund. A. All sums received or collected from the deliveries of water from the water distribution system of the city shall be deposited with the city treasurer in a fund to be named water works operating fund. All expenses incurred by the city in the management and handling of its water distribution system, improvements, additions and repairs thereto, principal and interest on the city water works bonds as the same shall mature, shall be paid out of the fund or out of any subordinate fund of the water works operating fund established by the city council.

B. Whenever it appears that there is a greater sum in fund than will be required to meet the cost of maintaining the water distribution works and system, making reasonably necessary additions, repairs and improvements thereof and thereto, payment of interest and principal of all bonds for the ensuing year, and maintaining a reserve for contingencies, then and in that event, but not until then, the city council in its discretion may transfer any estimated surplus to the general fund of the city; provided further, that there shall hereafter be kept in the water works operating fund, and the subordinate funds created by the council, if any, in addition to the items mentioned above, at least ten thousand dollars for the purpose of providing against extraordinary contingencies such as major breaks, injury, accident, or damage to the system or some part thereof. No resolution of the city council in anywise shall limit the application of this section. (Ord. 86 §10, 1949).

3.04.080 Noncompliance--Discharge or removal. Any officer or employee of the city who fails or refuses to make the inventory required by this chapter or by resolution of the city council, or who purchases any supplies, equipment or other physical property, or incurs an obligation on behalf of the city without proper requisition or without proper order of the city council entered upon its minutes, or who fails or refuses to make any report, or who fails or refuses to make any account required by the city council by resolution or motion entered upon its minutes or who fails or refuses to make any estimate entered by this chapter or by resolution or order upon the minutes of the city council, or who otherwise violates or disregards this chapter or any resolution or motion passed by the authority hereof shall be subject to immediate discharge or removal from office, and no warrant for salary or other claim by such employee or officer shall be ordered allowed or paid until such officer or employee has complied with such requirement. (Ord. 86 §11, 1949).

Chapter 3.08

METHOD OF DRAWING CHECKS  
ON CITY TREASURY

Sections:

- 3.08.010 Authority.
- 3.08.020 Required signatures.

3.08.010 Authority. The provisions of this chapter are adopted pursuant to the authority contained in Section 37203 of the Government Code of California. (Ord. 307 §1, 1976).

3.08.020 Required signatures. Checks shall be drawn upon the treasury of the city over the signature of two officers of the city. One such officer shall be the city clerk or the city treasurer, and such signature shall be a manual signature. The other required signature shall be that of the mayor or vice mayor, and may be either a manual signature or a facsimile signature. (Ord. 307 §2, 1976).

Chapter 3.12PURCHASE OF SUPPLIES, EQUIPMENT AND SERVICES\*Sections:

- 3.12.010 Adoption of purchasing system.
- 3.12.020 Purchasing Officer.
- 3.12.030 Exemptions from centralized purchasing.
- 3.12.040 Requisitions.
- 3.12.060 Purchase orders.
- 3.12.070 Encumbrance of funds.
- 3.12.080 Purchasing procedures.
- 3.12.082 Exceptions from purchasing procedures.
- 3.12.085 Petty cash reimbursement.

3.12.010 Adoption of purchasing system. In order to establish efficient procedures for the purchase of supplies, equipment and services, to secure for the city supplies 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, a purchasing system is adopted. (Ord. 583 §1b, 1999; Ord. 145 §1, 1958).

3.12.020 Purchasing Officer. There is created the position of Purchasing Officer. The Purchasing Officer of the City of Corning is the City Manager or his designee. The duties of Purchasing Officer may be combined with those of any other office or position. The Purchasing Officer shall have the duty and authority to:

A. Purchase or contract for supplies, equipment and services required by any City department in accordance with purchasing procedures prescribed by this chapter such administrative regulations as the Purchasing Officer shall adopt and such other rules and regulations as shall be prescribed by the City Council;

B. Negotiate and recommend execution of contracts for the purchase of supplies, equipment and services;

C. Act to procure for the City the needed quality in supplies, equipment and services at least expense to the City;

D. Discourage uniform bidding and endeavor to obtain as full and open competition as possible on all purchases;

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\* For statutory provisions on bids for local public contracts, see Gov. Code §37901 et seq.; for provisions on local purchases of supplies and equipment, see Gov. Code §54201.

E. Prepare and recommend to the city council rules governing the purchase of supplies, equipment and services for the city;

F. Prepare and recommend to the city council revisions and amendments to the purchasing rules;

G. Keep informed of current developments in the field of purchasing, prices, market conditions and new products;

H. Prescribe and maintain such forms as are reasonably necessary to the operation of this chapter and other rules and regulations;

I. Supervise the inspection of all supplies and equipment purchased to insure conformance with specifications with authority to require chemical and physical tests of samples submitted with bids and samples of deliveries which are necessary to determine their quality and conformance with specifications;

J. Recommend the transfer of surplus or unused supplies and equipment between departments as needed, and the sale of all supplies and equipment which cannot be used by any department or which have become unsuitable for city use;

K. Maintain a bidders' list, vendors catalog file and records needed for the efficient operation of the purchasing procedures of the city. (Ord. 583 §1c(part), 1999; Ord. 444 §4, 1986; Ord. 145 §2, 1958).

#### 3.12.030 Exemptions from centralized purchasing.

The purchasing officer, with approval of the city council, may authorize in writing any department to purchase or contract for specified supplies, equipment and services independently of the purchasing officer, but he or she shall require that such purchases or contracts shall be made in conformity with the procedures established by this chapter, and shall further require periodic reports from the department on the purchases and contracts made under such written authorization. (Ord. 583 §§1c(part), 1d, 1999; Ord. 145 §3, 1958).

3.12.040 Requisitions. Using departments shall submit requests for supplies, equipment and services to the purchasing officer by standard requisition forms. (Ord. 583 §1e, 1999; Ord. 145 §4, 1958).

3.12.060 Purchase orders. Purchases of supplies, equipment and services in excess of one hundred dollars shall be made only by purchase order or by other documentation approved by the purchasing officer.

A. For purchases under one thousand dollars:

1. Up to one hundred dollars may be paid for in advance or on a reimbursable basis from petty cash;

2. Any single purchase under one thousand dollars may be made by authorized personnel from a list of established vendors with whom the city has open purchase orders;

3. The purchasing officer shall have authority to issue purchase orders or other documents required for purchases under one thousand dollars from vendors with which the city has established an open purchase order procedure. (Ord. 603 (part), 2004; Ord. 583 §1g, 1999; Ord. 145 §6, 1958).

3.12.070 Encumbrance of funds. Except in cases of emergency, the purchasing officer shall not issue any purchase order or other form of authorization for supplies,

equipment or services unless there exists an unencumbered appropriation in the fund account against which the purchase is to be charged. (Ord. 583 §1h, 1999; Ord. 145 §7, 1958).

3.12.080 Purchasing procedures. The following procedures shall be followed with regard to all purchases of supplies, equipment and services (except professional services such as legal services, accounting services, engineering services, etc.) by the City of Corning:

A. For purchases under one thousand dollars:

1. Up to fifty dollars may be paid for in advance or on a reimbursable basis from petty cash;
2. Any single purchase under one thousand dollars may be made by authorized personnel from a list of established vendors with whom the City has open purchase orders;
3. The Purchasing Officer shall have authority to issue purchase orders or other documents required for purchases under one thousand dollars from vendors with which the City has established an open purchase order procedure.

B. For purchases over one thousand dollars but less than ten thousand dollars:

1. Three faxed or otherwise documented price quotations shall be obtained for all purchases of supplies, equipment or services unless the Purchasing Officer makes a written determination that the purchase falls within one of the exceptions specified in Section 3.12.082 of this chapter.

2. The purchase of supplies, equipment or services shall be made from the vendor with the lowest price if the products or services offered conform to the City's specifications unless the Purchasing Officer makes a written determination that the purchase falls within one of the exceptions specified in Section 3.12.082 of this chapter.

3. City Council approval for specific purchases in this price range need not be obtained in advance.

C. For purchases of ten thousand dollars or more but less than fifteen thousand dollars:

1. Three faxed or otherwise documented price quotations shall be obtained for all purchases of supplies, equipment or services unless the City Council determines that the purchase falls within one of the exceptions specified in Section 3.12.082 of this chapter.

2. The purchase of supplies, equipment or services shall be made from the vendor with the lowest price if the products or services offered conform to the City's specifications unless the City Council determines that the purchase falls within one of the exceptions specified in Section 3.12.082 of this chapter.

3. City Council approval for specific purchases in this price range must be obtained in advance.

D. For purchases of fifteen thousand dollars or more the following formal bid procedures shall be followed unless the City Council determines that the purchase falls within one of the exceptions specified in Section 3.12.082 of this chapter.

E. Notice Inviting Bids. Notices inviting bids shall include a general description of the articles or services to be purchased, shall state where bid blanks and specifications may be secured, and the time and place for opening bids.

1. Notice inviting bids shall be published at least ten days before the date of opening of the bids. Notice shall be published at least once in a newspaper of general circulation, printed and published in the City, or if there is none, it shall be posted in at least three public places in the city that have been designated by ordinance as the places for posting public notices.

2. The Purchasing Officer shall also solicit sealed bids from all responsible prospective suppliers whose names are on the bidders' list or who have requested their names to be added thereto.

F. Bidder's Security. When deemed necessary by the Purchasing Officer, bidder's security may be prescribed in the public notices inviting bids. Bidders shall be entitled to return of bid security; provided, that a successful bidder shall forfeit his bid security upon a refusal or failure to execute the contract within ten days after the notice of award of contract has been mailed, unless the City is responsible for the delay. The City Council may, on refusal or failure of the successful bidder to execute the contract, award it to the next lowest responsible bidder. If the City Council awards the contract to the next lowest bidder, the amount of the lowest bidder's security shall be applied by the City to the difference between the low bid and the second lowest bid, and the surplus if any, shall be returned to the lowest bidder.

G. Bid Opening Procedure. Sealed bids shall be submitted to the purchasing officer and shall be identified as bids on the envelope. Bids shall be opened in public at the time and place stated in the public notices. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than thirty calendar days after the bid opening.

H. Rejection of Bids. In its discretion, the City Council may reject any and all bids presented and readvertise for bids.

I. Award of Contracts. Contracts shall be awarded by the City Council to the lowest responsible bidder except as otherwise provided in this chapter.

J. Tie Bids. If two or more bids received are for the same total or unit price, quality and service being equal, and if the public interest will not permit the delay

