

proval by the state board of investment. The portion of such remainder not so invested shall be placed by the treasurer at interest for the period of six months, or when directed by the Director of Social Welfare and the Director of Public Institutions, for the period of twelve months thereafter at the highest rate of interest obtainable in a bank, or banks, designated by the board of deposit as a suitable depository therefor. All the provisions of law relative to the designation and qualification of depositories of other state funds shall be applicable to this act except as herein otherwise provided. Any bond given, or collateral assigned or both, to secure a deposit hereunder may be continuous in character to provide for the repayment of any moneys belonging to the fund theretofore or thereafter at any time deposited in such bank until its designation as such depository is revoked and the security thereof shall be not impaired by any subsequent agreement or understanding as to the rate of interest to be paid upon such deposit, or as to time for its repayment. The amount of money belonging to the fund deposited in any bank, including other state deposits, shall not at any time exceed the amount of the capital stock thereof. In the event of the closing of the bank any sum deposited therein shall immediately become due and payable.

Approved March 30, 1943.

CHAPTER 237—H. F. No. 315.

An act authorizing the county board of any county with a population in excess of 75,000 and less than 225,000 to establish the office of purchasing agent and regulate the purchase of supplies, materials, equipment and contractual services thereunder.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Office of purchasing agent established in certain county.—The County Board in each county in this state with a population of more than 75,000 and less than 225,000 shall establish the office of purchasing agent and, in accordance with any civil service regulations which may be in effect in such county, shall appoint a qualified person to fill such office. Prior to his appointment the purchasing agent shall have had at least two years' experience in an executive capacity in the purchasing office of a private or public corporation of representative size. He shall give bond in such amount as shall be prescribed by the county

board, which shall also fix his annual salary at not less than \$4,200.00 per year. He shall hold office until his successor is appointed or until his resignation or his removal in the manner provided by civil service regulations which may be in effect in such county. The county purchasing agent shall have power, in accordance with such civil service regulations as may be in effect in such county, to appoint and to remove his assistants, to prescribe their duties, and to fix their salaries within the limits of the appropriation and schedule therefor.

Sec. 2. Duties and authority of purchasing agent.—The county purchasing agent of any such county shall have authority, and it shall be his duty:

(a) To purchase or contract for all supplies, materials, equipment and contractual services required by any department, board, commission, or agency of the county government except the county tuberculosis sanatorium, subject to the provisions set forth in this act;

(b) To enforce standard specifications established in accordance with section 10 of this act and which shall apply to all supplies, materials and equipment purchased for the use of the county government.

(c) To negotiate leases for all grounds, buildings, office or other space required by all county departments, boards, commissions, or agencies;

(d) To have charge of all central storerooms now operated by, or hereafter established by the county government or any department, board, commission, or agency thereof.

(e) To transfer to or between county departments, boards, commissions, and agencies, or to sell supplies, materials and equipment which are surplus, obsolete, or unused; and

(f) To establish and operate a central duplicating and mailing room for the county departments, boards, commissions, and agencies at the county seat.

Sec. 3. Definitions.—The terms “supplies,” “materials,” and “equipment” as used throughout this act shall be construed to mean any and all articles or things which shall be furnished to or used by any department, institution, office, board, commission, or other agency of the county government including any and all printing, binding and publication of stationery, forms, laws, journals and reports. The term “contractual services” shall be construed to mean any and all telephone, gas, water, electric light and power service; towel and cleaning service, insurance; and the

rental repair or maintenance of equipment, machinery, and other county-owned personal property. Except as otherwise provided in this act, any and all supplies, materials, equipment or contractual services needed by one or more departments or agencies of the county government shall be directly purchased or contracted for by the county purchasing agent, in accordance with rules and regulations adopted pursuant to section 4 of this act.

Sec. 4. Agent to promulgate rules and regulations.—The county purchasing agent of any such county, subject to the approval of the county board, shall adopt, promulgate, and from time to time amend, rules and regulations for the following purposes:

(a) Authorizing in writing, any department, board, commission, or agency of the county government to purchase directly, without the intervention of the county purchasing agent, certain specified supplies, materials, equipment or contractual services, and describing the manner in which such purchases shall be made;

(b) Authorizing, in writing, any department, board, commission, or agency of the county government to purchase any supplies, materials, equipment, or contractual services in the open market for immediate delivery in emergencies, defining such emergencies, and describing the manner in which such purchases shall be made and afterwards reported to the county purchasing agent;

(c) Prescribing the manner in which supplies, materials and equipment shall be purchased, delivered, stored, and distributed;

(d) Prescribing the dates for submitting requisitions and estimates, the future period which they are to cover, the form in which they shall be submitted, the manner of their authentication, and their revision by the county purchasing agent;

(e) Prescribing the manner of inspecting all deliveries of supplies, materials, and equipment, and of making chemical and physical tests of samples submitted with bids and samples of deliveries to determine compliance with specifications;

(f) Requiring monthly reports by county departments, boards, commissions, and agencies of stocks of surplus, obsolete, or unusable supplies, materials, and equipment on hand and prescribing the form of such reports;

(g) *Providing for the transfer to or between county departments, boards, commissions, and agencies of supplies, materials, and equipment which are surplus with one department, board,*

commission, or agency but which may be needed by another or others, and for the disposal by sale, after receipt of competitive bids, of supplies, materials and equipment which are obsolete and unusable;

(h) Determining whether a deposit or bond is to be submitted with a bid on a purchase contract or sale, and if required, prescribing the amount and form thereof and providing that such surety shall be forfeited if the successful bidder refuses to enter into contract within ten days after the award;

(i) Prescribing the procedure and the form for securing from bidders and prospective bidders the data necessary to determine whether or not they are responsible;

(j) Prescribing the manner in which invoices for supplies, materials, equipment and contractual services delivered to any and all departments, boards, commissions, and agencies of the county shall be submitted, examined, and approved; and

(k) Providing for such other matters as may be necessary to give effect to the foregoing rules and the provisions of this act.

Sec. 5. Contracts—limitations.—All purchases of, and contracts for, supplies, materials equipment or contractual services, and all sales of personal property which has become obsolete and unusable, shall be based wherever possible on competitive bids. If the amount of the expenditure or sale is estimated to exceed \$500.00, sealed bids shall be solicited by public notice inserted at least once in a newspaper of general circulation and at least five calendar days before the final date of submitting bids. Such notice shall include a general description of the commodities or contractual services to be purchased, or personal property to be sold, and shall state where bid blanks and specifications may be obtained and the time and place for the opening of bids. The county purchasing agent shall also solicit sealed bids by sending requests by mail to prospective suppliers and by posting notice on a public bulletin board in his office.

All purchases or sales of less than \$500.00 in amount shall be made in the open market without newspaper notice, but shall wherever possible be based on at least three competitive bids.

Sales shall be made to the highest responsible bidder.

Bids on purchases shall in all cases be based on such standard specifications as may be adopted by the board of standardization in accordance with the provisions of section 10 of this act. All contracts or open market purchase orders made by the county purchasing agent or by any county department, board, commis-

sion, or agency shall be awarded to the lowest responsible bidder. All bids may be rejected and new bids solicited if the public interest shall be served thereby. If all bids received on a pending contract are for the same unit price or total amount, the county purchasing agent shall have authority to award the contract to one of the tie bidders by drawing lots in public, or to reject all bids and to purchase the required supplies, materials, equipment or contractual services in the open market, provided the price paid in the open market shall not exceed the lowest responsible bid. It shall be the duty of the purchasing agent to discourage uniform bidding and to endeavor to obtain as full and open competition as possible on all purchases and sales. Each bid, with the name of the bidder, shall be entered on a record, and each record with the successful bid indicated thereon, shall, after the award of the order or contract, be open to public inspection.

All contracts shall be approved as to form by the county attorney and a copy of each contract shall be filed with the county auditor of any such county.

Sec. 6. Not to issue orders without funds.—Except in emergency, no valid order for delivery on a contract or open market purchase shall be issued until the county auditor of any such county shall have certified in conformity with law that the unencumbered balance in the appropriation or appropriations concerned in excess of all unpaid obligations, is sufficient to defray the amount of such order.

Sec. 7. May authorize purchase in open market.—The county purchasing agent may authorize, in writing any department, board, commission, or agency of any such county government to purchase in the open market, without filing requisition or estimate, any supplies, materials, or equipment for immediate delivery to meet actual emergencies arising from unforeseen causes, including delays by contractors, delays in transportation, and unanticipated volume of work. A full written account of the circumstances necessitating any such emergency purchase, together with a requisition and a record of the competitive bids upon which the emergency delivery was secured, shall be submitted at once to the county purchasing agent by the head of the using agency concerned. The records of such transaction shall be open to public inspection.

Sec. 8. Purchases and contracts void when.—Whenever any department, board, commission or agency of any such county government shall purchase or contract for any supplies, materials, equipment or contractual services contrary to the provisions of this act or the rules and regulations made thereunder, such order or contract shall be void and of no effect. The head of such de-

partment, board, commission or agency shall be personally liable for the costs of such order or contract, and, if already paid for out of county funds, the amount thereof may be recovered in the name of the county in an appropriate action instituted therefor.

Sec. 9. Purchasing agent and employees not to be interested in contracts.—Neither the county purchasing agent, nor any member of his office staff, nor any member of the board of standardization created by this act, shall be financially interested, or have any personal beneficial interest, either directly or indirectly, in any contract or purchase order for any supplies, materials, equipment or contractual services furnished to or used by any department, board, commission or agency of the county government. Nor shall such purchasing agent, member of his staff, or member of the board of standardization accept or receive, directly or indirectly, from any person, firm, or corporation to which any contract or purchase order may be awarded, by rebate, gifts, or otherwise, any money or anything of value whatsoever, or any promise, obligation, or contract for future reward or compensation. Any violation of this section shall be deemed a felony and shall be punishable by fine or imprisonment, or both.

Sec. 10. Board of Standardization.—There shall be in each such county a board of standardization which shall be composed of the chairman of the board of county commissioners, the county highway engineer, the chief administrative officer of each county activity which is placed by law under the control of any board or commission other than the county board, and the county purchasing agent who shall be chairman of such board. The members of this board shall serve without additional compensation.

It shall be the duty of the board of standardization to classify the requirements of the county government for supplies, materials, and equipment; to adopt as standards the smallest number of qualities, sizes, and varieties of such supplies, materials, and equipment consistent with the efficient operation of the county government; and to prepare, adopt and promulgate written specifications describing such standards.

In the preparation and revision of any such standard specification, the board of standardization shall seek the advice, assistance and cooperation of the county departments, boards, commissions and agencies concerned, to ascertain their requirements. The board of standardization shall have power to make use of the laboratory and engineering facilities of the county government and the technical staffs thereof in connection with its function of preparing and adopting standards and written specifications. Each specification adopted for any commodity shall, insofar as possible, satisfy the requirements of the majority of the county de-

partments, boards, commissions and agencies which use the same. All specifications must be definite and certain and permit of competition. After its adoption, each standard specification shall, until revised or recinded, apply alike in terms and effect to every future purchase and contract for the commodity described in such specification.

Sec. 11. **Shall make annual report.**—The county purchasing agent shall submit to, and at the time prescribed by the county board, an annual report on the work of his office, and may, from time to time, suggest changes in this act which he deems necessary.

Sec. 12. **Inconsistent acts repealed.**—All acts and parts of acts, and all administrative rules and regulations inconsistent with the provisions of this act are hereby repealed.

Approved April 1, 1943.

CHAPTER 238—H. F. No. 321.

(AMENDING SECTION 130.22 MINNESOTA STATUTES 1941.)

An act relating to employment and tenure of teachers in cities of the first class, defining "teacher"; and amending Laws 1941, Chapter 169, Article X, Section 22, Subdivision 2.

Be it enacted by the Legislature of the State of Minnesota:

Law amended.—Laws 1941, Chapter 169, Article X, Section 22, Subdivision 2, is amended to read as follows:

Subd. 2. **Who are teachers.**—The term "teacher" shall include every person regularly employed, as a principal, or to give instruction in a classroom, or to superintend or supervise classroom instruction, or as placement teacher and visiting teacher. *Persons regularly employed as counselors and school librarians shall be covered by these sections as teachers if certificated as teachers or as school librarians.*

Approved April 1, 1943.

CHAPTER 239—H. F. No. 350.

An act relating to tax forfeited lands legalizing certain sales thereof and payments of delinquent installments on contracts for repurchase thereof and on confession of judgment therefor.