

## **RESOLUTION #28 (2021) – ADOPT PROCUREMENT AND PURCHASING POLICIES**

Supv Leifer offered the following resolution and asked for its adoption:

RESOLVED, that this Town Board hereby adopts the Procurement and Purchasing Policies, as follows:

### **Procurement Policy**

This resolution sets forth the policy and procedures of the **Town of Dryden** to meet the requirements of General Municipal Law, section 104-b.

#### **Purpose**

Goods and services that are not required by law to be procured pursuant to competitive bidding must be procured in a manner as to assure the prudent and economical use of public moneys in the best interest of the taxpayers; to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances; and to guard against favoritism, improvidence, extravagance, fraud, and corruption. To further these objectives, the governing board is adopting an internal policy and procedures governing all procurements of goods and services which are not required to be made pursuant to the competitive bidding requirements of General Municipal Law, section 103 or of any other general, special, or local law.

#### **Procedures for Determining Whether Procurements are Subject to Bidding**

The procedures for determining whether a procurement of goods or services is subject to competitive bidding and documenting the basis for any determination that competitive bidding is not required by law is as follows:

Procedure:

- a. Each proposed purchase must be initially reviewed to determine whether it is a purchase contract or a public works contract.
- b. Upon determination, a good faith effort shall be made to determine whether it is known or can reasonably be expected the aggregate amount to be spent on the item of supply or service is not subject to competitive bidding, taking into account past purchases and the aggregate amount to be spent annually.
- c. The following items are not subject to competitive bidding pursuant to Section 102 of the General Municipal Law: purchase contracts under \$10,000; public works contracts under \$35,000; emergency purchases; goods purchased from agencies for the blind or severely handicapped; goods purchased from correctional institutions; purchases under State and county contracts; and surplus and second-hand purchases from another governmental entity.
- d. For purchases determined to be exempt from competitive bidding, documentation of this determination shall be provided in writing by the individual making the purchase. This documentation may include written or verbal quotes from vendors, a memo from the purchaser indicating how this determination was made, a copy of the contract indicating the source making the item or service exempt, a memo from the purchaser detailing the circumstances leading to an emergency purchase, or any other appropriate written documentation.
- e. This policy will apply to all equipment rentals made throughout the year.

#### **Statutory Exceptions from Quotations/Proposals Requirements of This Policy and Procedures**

Except for procurements made pursuant to General Municipal Law, section 103(3) (through county contracts) or section 104 (through State contracts), State Finance Law, section 162, Correction Law, sections 184 and 186 (from "preferred sources," including articles manufactured in correctional institutions), or the items excepted herein (see below), alternative proposals or

quotations for goods and services shall be secured by use of either written requests for proposals, written quotations, verbal quotations or any other method of procurement that furthers the purposes of the General Municipal Law, section 104-b.

**Methods of Competition to be Used for Non-Bid Procurements**

The methods of procurement to be used are as follows:

The time and documentation required to purchase goods and services under \$1,000.00 via this policy may be more costly than the item itself and would therefore not reflect the best interests of the taxpayer. In addition, it is not likely such de minimis contracts would be awarded based on favoritism.

All goods and services subject to this procurement policy will be secured by use of written requests for proposals, written quotations, verbal quotations, or any other method which assures favoritism will be avoided and goods will be purchased at the lowest price, except in the following circumstances: purchase contracts over \$10,000 and public works contracts over \$35,000; which are required to be competitively bid.

The following are the minimum requirements necessary for purchases and/or equipment rentals expected to exceed \$1,000 in one year as required by this policy in order to achieve the highest savings:

<u>Amount of Purchase Contract or Rental (under \$10,000)</u>	<u>Method</u>
Under \$2,500	No action required
\$2,501 - \$4,999	2 Verbal quotations or catalog pricing AND obtain a Purchase Order from Bookkeeper
\$5,000 - \$9,999	3 Written/fax quotations, or written requests for proposals or catalog pricings

<u>Estimated Amount of Public Works Contract (under \$35,000)</u>	<u>Method</u>
Under \$2,500	No action required
\$2,501 - \$9,999	2 Written/fax quotations
\$10,000 - \$34,999	3 Written/fax quotations or written requests for proposals

A good faith effort shall be made to obtain the required number of proposals or quotations. If the purchaser is unable to obtain the required number of proposals or quotations, he or she will document all attempts made to obtain proposals.

**Awards to Other than the Lowest Responsible Dollar Offerer**

Whenever any contract is awarded to other than the lowest responsible dollar offerer, the reasons that such an award furthers the purpose of General Municipal Law, section 104-b, as set forth herein above, shall be documented as follows:

Documentation will include an explanation of how the awarded contract will achieve savings or how the lowest bidder was not responsible. Determination of a bidder being declared not responsible shall be made and documented by the purchaser.

### **Items Excepted From This Policy and Procedures by the Board**

The board sets forth the following circumstances when, or types of procurements for which, in the sole discretion of the governing body, the solicitation of alternative proposals or quotations will not be in the best interest of *Town of Dryden*.

- a. Professional services or services requiring special or technical skill, training or expertise. The individual or company must be chosen based on accountability, reliability, responsibility, skill, education and training, judgment, integrity, and moral worth. These qualifications are not necessarily found in the individual or company offering the lowest price and the nature of these services is such that they do not readily lend themselves to competitive procurement procedures.

In determining whether a service fits into this category the Town Board shall take into consideration the following guidelines: (a) whether services are subject to State licensing or testing requirements; (b) whether substantial formal education or training is a necessary prerequisite to performance of said services; and (c) whether services require a personal relationship between the individual and municipal officials. Professional or technical services shall include but not be limited to the following: services of an attorney; services of a physician; technical services of an engineer engaged to prepare plans, maps and estimates; securing insurance coverage and/or services of an insurance broker; services of a certified public accountant; investment management services; printing services involving extensive writing, editing or art work; management of municipally owned property; computer software or programming services for customized programs, or services involved in substantial modification and customizing of pre-packaged software.

- b. Repair of equipment and machinery and maintenance items i.e.: toner, ribbons, oil filters, nuts & bolts etc., as these can be specialized items. The purchaser will obtain at least two verbal, written, faxed or catalog prices. It is at the purchaser's discretion which product(s) to purchase.
- c. Emergency purchases pursuant to Section 103(4) of General Municipal Law. Due to the nature of this exception, these goods or services must be purchased immediately and any delay to seek alternate proposals may threaten the life, health, safety or welfare of the residents. This section does not preclude alternate proposals if time permits.
- d. Purchases of surplus and second-hand goods from any source. If alternate proposals are required, purchaser is permitted to purchase surplus and second-hand goods at auction or via specific advertised sources where the best prices are typically obtained. Prior Town Board approval is required for amounts over \$2,500
- e. goods purchased from agencies for the blind or correctional institutions pursuant to Section 175-b of the State Finance Law; goods purchased from correctional institutions pursuant to Section 186 of the Correction Law; purchases under State contracts pursuant to Section 104 of the General Municipal Law; county contracts pursuant to Section 103(3) of the General Municipal Law; or pursuant to subdivision 6 of this policy.

### **Individual(s) Responsible for Purchasing**

Highway Superintendent  
Director of Planning  
Town Clerk  
Town Supervisor  
Recreation – Andrew Pierce  
Town Bookkeeper  
Town Justice

**34 Note that this is a new requirement, effective January 1, 2009 (General Municipal Law, section 104-b(2)(f)). Division of Local Government and School Accountability (Must be updated biennially)**

**Input From Officers**

Comments have been solicited from officers of the political subdivision or district therein involved in the procurement process prior to the enactment of this policy and procedures, and will be solicited from time to time hereafter.

**Annual Review**

The governing board shall annually review and, when needed, update this policy and procedures.

The **Town of Dryden Town Board** shall be responsible for conducting an annual evaluation of the effectiveness of the procurement policy and procedures and an evaluation of the control procedures established to ensure compliance with the procurement policy, and shall be responsible for reporting back to the board.

**Unintentional Failure to Comply**

The unintentional failure to comply fully with the provisions of General Municipal Law, section 104-b shall not be grounds to void action taken or give rise to a cause of action against the **Town of Dryden** or any officer or employee thereof.

**Town of Dryden Purchasing Policy**

With the exception of the Highway Department and the Town Clerk/Receiver of Taxes, the Bookkeeper/Bookkeeper's Assistant must be consulted to ensure sufficient funds are available prior to placing any order.

The Bookkeeper / Bookkeeper's Assistant will first verify whether or not sufficient funds are available.

- If funds are available, the Bookkeeper / Bookkeeper's Assistant will notify the department that they can proceed with their order.
- If funds are not available the Bookkeeper / Bookkeeper's Assistant will notify the requisitioner of such and request a budget modification form be completed to transfer funds from another account. A budget modification should only be used if another account has available funds and the requested item is necessary within current budget year. The budget modification will then be presented to the Board for approval.
- If a bid is necessary, the requisitioner will ask for Board approval to bid; then initiate the process of having the appropriate person prepare the bid specifications.
- Approval of the Supervisor or Bookkeeper is required for any purchase in excess of \$500, with the exception of the Highway Department, where the limit shall be \$10,000, and with the exception of the Town Clerk/Receiver of Taxes, where the limit shall be \$2500. Prior approval will not be required for standard monthly purchases for parts/supplies, and vehicle/equipment repairs unless specifically requested by vendor. Prior approval of either the bookkeeper or the Supervisor is required for purchases of equipment or software (i.e. computers, printers, monitors, copy machines, and items that will be added to the Town's capital asset list) and employee training/conference attendance that involves overnight lodging.
- With the exception of the Highway Department and the Town Clerk/Receiver of Taxes, once a department has spent 90% of any non-personnel, annual contract, or utility

related budget line (i.e. discretionary spending), the department head must seek Town Board approval prior to utilizing funds from that budget line.

- The Bookkeeper will prepare the purchase order, retain a copy and return the original to the requisitioner for ordering.

Packing slips, delivery receipts, invoices, and statements should be compiled for each purchase, stapled behind the purchase order or completed voucher form and submitted to the Bookkeeper for verification and approval. After approval, vouchers will be forwarded to the Town Clerk's office for data entry. After entry, purchase orders will be submitted to the Board for payment approval.

Vouchers may be submitted weekly or upon completion, but must be submitted by 12am the first Monday of the month. If Vouchers are received after this time we will try to include them in the abstract if possible.

This system will not apply to utilities, bills from other municipalities, legal and engineering services, water and sewer billing, election workers, jury expenses, law book expenses, software/hardware contracts and insurance payments. Payments of this nature will continue to use vouchers and be submitted to the Board for approval for payment.

The Bookkeeper will receive copies of **all** contracts entered into by the Town **and** all resolutions allotting funds for any service or item.

2<sup>nd</sup> Cl Skaley

Roll Call Vote	Cl Sparling	Yes
	Cl Skaley	Yes
	Cl Servoss	Yes
	Cl Lamb	Yes
	Supv Leifer	Yes