

PURCHASING POLICIES
AND
PROCEDURAL MANUAL

TOWN OF NEW HARTFORD

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PURCHASE ORDERS/REQUISITIONS

Purchase orders will be handled as requisitions to define departmental needs. They are a five-part form to be typed by the department.

Departments

The purchase orders will be completed neatly and in full, including vendor name, address, contact person and telephone number. Fax number, if available, will also be noted.

The following verbiage will be included on all P.O.'s sent to vendors:
"Once your services have been rendered, please remit an invoice and voucher for payment within 30 days of service and/or job completion. Your invoice should contain all proper details of purchases made or services provided, including dates, amounts, locations, man hours, equipment hours, and specifics as to work and services performed."

Date of purchase order and a complete description of the items being requisitioned, including identifying item numbers, quantity, color and any other pertinent information and account to be charged will be completed. Unit price, as well as total price, will be included if known. If appropriate, the NYS Contract #, Oneida County Ref #, or New Hartford Contract award date must be noted on P.O.'s and vouchers.

The completed requisitioning purchase order must be signed by the department head only and sent to the Town Supervisor.

When purchase order/requisition has been approved by the Town Supervisor, the white and canary copies are returned to the department. The white copy (order copy) is mailed to the vendor with a voucher to be signed and returned upon shipment of merchandise. Canary copy is retained for the department head's records and files. Each department should keep a log/spread sheet of these purchases, along with information on how the quote was obtained: verbal, written, informal or formal.

Upon receipt of merchandise, the department will verify merchandise for quantity and quality and only the voucher, signed by the department head, attached with the vendor invoice is sent to the Comptroller/Finance Department. Receiving slips are to be maintained with the department head. Do not submit vendor statements detailing past due amounts as support for payment. Each Department Head is responsible for purchasing for his/her department.

With gravel, stone, top soil, etc., or anything with multiple items, the department head must ensure that the individual receiving slips match quantity ordered.

The Comptroller/Director of Finance then verifies proper account charged signatures and notation of New York State Contract Number or Oneida County Reference Number if appropriate, prior to being forwarded to Bookkeeper for payment. Upon payment, the bookkeeper will forward back to each department the golden copy of purchase order showing it as paid.

If an item/service is desired and no information is available in the department, complete a requisitioning purchase order with a description of the item needed, including as much

information as possible and account number to be charged. Note any vendors who might handle item if known and forward to the Comptroller/Director of Finance. The Comptroller/Director of Finance and department head will work together to obtain necessary price quotes, check for New York State Contract Number or Oneida County Reference Number availability. The purchase order will then be processed in the normal manner.

Comptroller/Director of Finance and Department Head Requisitioning Purchase Order

Upon receipt, the Comptroller/Director of Finance will assure that money has been allocated in the approved budget for the item/service requested.

The Comptroller/Director of Finance will ascertain whether the item is available under New York State Contract, Oneida County Reference, if it requires price quotes, or the formal bidding procedure.

If New York State Contract Number or Oneida County Reference Number is typed on the purchase order, the contracts are checked to assure they are current; if so and money was allocated, the purchase order is approved and processed in the normal manner.

If price quotes are required, the department head will research and attach at least three price quotes. If necessary, the department head can obtain the quotes themselves and forward information to the Town Supervisor; See Section – Request for Price Quotes. When signed purchase order, with all pertinent paperwork attached, is received in by the Town Supervisor, it is signed/initialed signifying approval.

If it is determined that the item/service comes under the formal sealed bidding process, a meeting will be set up between department head, the Town Supervisor and Finance Director to discuss all aspects of the proposed job/purchase including overall cost and budget impact, and then gather all information necessary to proceed with the formal sealed bidding process.

When the requisitioning purchase order is completed with proper account number, price quotes, vendor information and description and any state or county contract numbers, the purchase order is separated and stamped approved, with the white and canary copies being returned to the department. The green, pink and golden copies are retained in Finance, along with the price quotes and any other paperwork. The golden copy will be returned to the department head with the date paid stamped on it. (Please remember to mail the white copy of the purchase order to the vendor.)

When merchandise is received in the departments and quantities and items checked, the voucher, signed by both the vendor and the department head, is sent to the Finance Department along with the original invoices. (See Payment of Vouchers below)

PAYMENT OF VOUCHERS

The following verbiage will be included on all vouchers sent to vendors:
“Once your services have been rendered, please remit an invoice and voucher for payment within 30 days of service and/or job completion. Your invoice should contain all proper details of purchases made or services provided, including dates, amounts, locations, man hours, equipment hours, and specifics as to work and services performed.”

Once the purchase/service contract is complete and the invoice and voucher are received from the vendor by the Town, the Department Head will review that all work has been properly completed or purchases received in accordance with the contract and P.O. At this time the Department Head will sign off on the voucher and invoice, indicating that all work has been properly completed or purchases received and is approved for payment. Any discrepancies or issues with the contract or purchase should be brought to the attention of the Town Supervisor at this time for possible corrective action.

After the purchasing procedures have been completed as described above, the Finance Department forwards all completed and approved vouchers, along with the invoice to the bookkeeper for payment. The bookkeeper will match this data with Accounting's copies of the purchase order.

Vouchers are then prepared for payment and submitted to the Town Board for final approval. Checks are mailed after approval.

CANCELING AN ORDER OR RECEIVING A PARTIAL ORDER

When canceling an order or receiving a partial order, please contact the Comptroller's office by memo or phone call with the appropriate information.

BACK ORDERS

When a partial order is received and the balance of the order is on back order, those items received should be reviewed and noted on the canary copy of the purchase order, the balance marked back order. This copy is retained in the department pending receipt of balance of order. The voucher, only in amount of those items received, is forwarded to the Finance Department with copies of any correspondence. The department, along with accounting, must maintain a back order file. When the remaining items are received, another voucher must be prepared and completed for only the remaining items received. This voucher must be marked "back order" and reference the original purchase order number. When this is done, it is sent to the Finance Department for payment.

END OF CYCLE

Accounting – Pink copy of purchase order is attached to voucher/invoice, etc., marked with transaction number. The green copy is maintained as a file copy.

Department – Canary copy of purchase order dated – date of purchase order, date items received and date forwarded for payment-is retained in the department. Golden copy, marked paid, is received from accounting and filed in department.

Vendor – White copy of purchase order.

REQUESTS FOR PRICE QUOTATION

Informal Price Quotes

Informal price quotes must be obtained on all materials, supplies or services which are not purchased through New York State Contract, Oneida County Contract, sealed bid, Industries

for the Blind or New York State Correctional Institutions and are between \$1,000 and \$19,999 in value. For public works projects this range increases to \$34,999. (See Page 11 for a definition of a public works contract.) Quotations need not be obtained prior to a purchase that is \$999.00 or less.

Any request which does not fall into the above categories and is between \$1,000 and \$19,999 (\$34,999 for public works projects) will require at least three (3) informal price quotes, unless it is determined that Formal Price Quotes are required.

Informal Price Quotes may be obtained by telephone, electronic format or by mail from vendors. The attached informal price quotes form will be used for each vendor solicited. These will be attached to a completed requisition (purchase order), voucher and any other memos/correspondence and forwarded to the Town Supervisor for approval. The Town Supervisor will review and, if necessary, the Director of Finance will do further research and soliciting of materials and/or prices verify the expenditure is within the Town's approved budget. Upon approval of vendor and price, the approved white purchase order and voucher will be mailed to the vendor to initiate the order, with the canary copy being returned to the department.

If requested, the voucher and approved white and canary copy are returned to the department and the order is mailed from the department. This can only be done upon receipt of approved purchase order. The remaining copies of purchase order, with price quotes attached, remain in Accounting, with golden copy of purchase order being returned to the department upon payment to vendor.

Formal Price Quotes

Formal Price Quotes are requested for certain items/services utilized annually by the Town. Vendors are asked to submit, formally on their letterhead, prices for specified items or services. This process is handled through the Town Supervisor office and follows the procedures listed below.

The town may obtain formal price quotes for some professional services, insurance, and maintenance/service on all office equipment. Formal price quotes are obtained as follows:

Specified vendors are selected from previous work history with the Town with all potentially new vendors considered based on recommendation and/or experience level.

Formal quotes are requested from the selected vendors to be within the work specification and timeline constraints. Information packages, containing detail on items or services, quantities, any specific requirements and when to submit price quotes are kept in the Town Supervisor's Office and/or Finance Department.

All formal price quotes must be in by close of business on the designated day.

An analysis is made of all quotes received by the Town Supervisor and Finance Director. The Town Supervisor and Finance Director present a recommendation to the Town Board for award by resolution.

After this process is followed, the Town Supervisor will notify the vendors of the award, with any necessary contracts being executed.

Tie Quotations

In the event of tie quotations, the Town may award the purchase to one of the low quotations or reject all quotations and resolicit quotations.

Purchase Other than for Lowest Quoted Price

When a purchase is made from other than the lowest responsible offeror, the documentation of the quotation shall be supplemented with a statement justifying such award. Such justification must demonstrate that the award provides for the prudent and economical use of public monies in the best interests of the taxpayers of the Town.

REQUESTS FOR PROPOSALS (RFP'S)

The principal distinction between Competitive Sealed Bidding and Requests for Proposals is that the bidding process requires that bids be evaluated and awards made solely on the basis of information contained in the bids at the time of opening. No substantive changes, or any changes which would affect determination of award, are permitted either in the nature of the bid or the price.

RFP's on the other hand, allow negotiation, modification and alteration of both content and price after proposals are submitted and during the evaluation process by an appointed committee. Following evaluation, a date is established for proposals deemed acceptable to be submitted with any changes. These are submitted as "best and final offers" and upon submission, no changes are allowed.

The RFP process is handled in the same manner as the Competitive Bidding process. An approved advertisement is placed in the newspaper. A specification package is prepared (RFP request) and made available including instructions and deadline established. See Section – Competitive Bidding.

RFP's are permissible only under limited circumstances and this process is used by the Town only when seeking professional services for major projects. Examples of past uses have been our GEIS and Master Plan Projects.

COMPETITIVE BIDDING

The thresholds under General Municipal Law, 103, governing contracts of Political Subdivisions requiring the competitive bidding process are as follows:

Contracts for Public Works	\$35,000 or more
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Purchase Contracts	\$20,000 or more
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The only exceptions to these guidelines are items/services that are obtained under New York State Contract, Oneida County Contract, from New York State Industries for the Blind or New York State Correctional Institutes are less than \$20,000 in total for purchase contracts, less than \$35,000 in total for Public Works Contracts, are professional services, or are emergency purchases. All these exceptions are addressed in this manual.

In determining the necessity for competitive bidding, the aggregate (accumulative) cost of an item or commodity being purchased in a fiscal year (New Hartford – January 1st through December 31st) must be considered. It is prohibited to artificially divide purchases to satisfy threshold amounts.

The term Public Works Contract would apply to those projects/commodities involving labor or both labor and material. An example of this would be construction, paving repair contracts, equipment use, anything that would require repetitive use throughout the year or major construction.

When a commodity or project is determined to require the competitive bidding process, the following steps must be taken:

- A meeting between the Department Head and the Town Supervisor is held to establish framework of project and specification review.

- The project is then reviewed by the Town Comptroller/Director of Finance. Upon approval of the Comptroller/Director of Finance and Town Supervisor, it will be presented to the Town Board for approval. When the Town Board passes a resolution authorizing the project, and solicitation of formal competitive bids, the Town Supervisor notifies the Department Head to proceed.

- A specification book is drawn up by the Town Supervisor and Department Head.

- An Advertisement for Bid, which contains the commodity/project being bid, time and place of the bid opening and source of bid package, will be placed in the local paper. This advertisement to bid cannot appear in the newspaper without approval of the Town Supervisor. The Town Clerk will not accept an ad that does not follow this procedure.

- New York State law requires there to be at least seven (7) days from the date the advertisement is published to the date of the bid opening. Sealed bids shall be received until the opening time designated in the official notice. All bids shall be date/time stamped upon receipt and shall be kept in a safe, locked location until time of opening. Bids may be received through mail (USPS, Fedex, etc.) or hand delivered, but not electronically as the confidentiality cannot be guaranteed.

- On the designated date and appointed time of the bid opening, the Town Clerk, the personnel from the Finance Department and the Department Head will proceed to open the bids at a public meeting. All interested parties may attend.

- The award of a bid is made by Board Resolution, only after screening of all bids by the Department Head, Town Supervisor and Town Attorney.

An award may be made to other than the lowest bidder only after it is determined that lack of required signed documentation, omission of items, lack of technical skills or failure to meet insurance requirements is evident with the lowest mathematical bidder. This would be concluded by agreement of the responsible Department Head, Town Attorney, and Town Supervisor. The Town Attorney and Town Supervisor would present documentation and related

facts to the Town Board. A decision of awarding to another bidder or rejecting all bids (and starting process again) would be made by the Town Board).

All deposits are returned to each bidder per prescribed procedures of the Town. These procedures follow this discussion.

A complete history file for each public works project or major purchase will be maintained in the Town Clerk's Office. All contracts, required insurance and bonds, addendums, change and correspondence, etc., will be forwarded or copied to the Town Clerk's Office to be maintained in the permanent file.

Non-Collusion Statement (General Municipal Law, 103-D)

If competitive bidding is required by law, each bid must contain the following statement subscribed by the bidder and affirmed by such bidder as true under the penalty of perjury.

Non-collusion bidding certification:

- A. By submission of the bid, each bidder and each person signing on behalf of any bidder, certifies, and in the case of a joint bid, each party thereto certified as to its own organization, under the penalty that to the best of knowledge and belief,
 - 1. That prices in this bid have been arrived at independently without collusion, consultation, communication or agreement for the purpose of restricting competition, as to any matter relating to such prices with any other bidder or with any competitor;
 - 2. unless otherwise required by law, the prices which have been quoted in this bid have not been knowingly disclosed by the bidder prior to opening, directly or indirectly, to any other bidder or to any competitor; and
 - 3. no attempt has been made or will be made by the bidder to induce or any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition.

RETURN OF BID SPECIFICATION DEPOSIT

RETURN OF BID SECURITY DEPOSITS:

At the April 17, 1991 Town Board Meeting, the following Resolution No. 120 was passed to ensure that monies/bonds collected for Bid Specification Book deposits or Bid Security deposits, be returned at the proper time and in the proper amount, if appropriate.

(RESOLUTION NO. 120)

RESOLVED, that the New Hartford Town Board does hereby establish the following procedure for returning bid specification deposits to prospective bidders, effective April 18, 1991:

- *Town will not charge for short-form specifications prepared in-house*

- Town will charge for long-form specifications prepared in-house and for specifications prepared by outside firms
- Town Clerk's Office will continue to receive deposits for bid specifications purchases, writing receipts to customers and making daily deposits in Trust and Agency
- Town Clerk's Office will continue to provide Bookkeeper with duplicate deposit slip and receipt of total fees deposited each day, with project name; this receipt is "rubber stamped" with Supervisor's signature.

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NEW; - This receipt will contain the name of each prospective bidder who has purchased a specification book.

- Bidders entitled to FULL refund of deposit for bid specifications
- Non-bidders entitled to refund of HALF their deposit for bid specifications PROVIDED the bid specifications are returned in GOOD condition within thirty (30) days of bid opening; this applies to only the first set purchased by any prospective bidder (NOTE: 2nd and subsequent sets, there is no refund)
- At time of Bid Opening Purchasing Agent will file with the Town Clerk a copy of the original sign-up sheet containing the name, address and specification book number for all specifications distributed/purchased.
- Town Clerk and Purchasing Agent will, thirty (30) days after bid opening, compute which bidders/non-bidders are entitled to a refund and the amount due
- Town Clerk will issue Memorandum to Bookkeeper/Comptroller detailing refund amounts and any amount to be transferred from Trust and Agency into another account:

And be it

FURTHER RESOLVED that said Town Board does hereby establish the following procedure for returning securities (bid bonds/certified checks/cash) submitted with bids/proposals:

- Bidders will submit either certified check or bid bond in an amount not less than five percent (5%) of the amount bid
- Within thirty (30) days, the bid security submitted will be refunded to all **except the three lowest formal bidders**
- Bid security of the three lowest bidders will be refunded within forty-eight (48) hours after approval by the Town Attorney of the executed Contract and the insurance and security; or if no contract has been so executed, within forty-five (45) days after the date of the opening of Bids, upon demand of the Bidder at any time thereafter so long as he has not been notified of the acceptance of the Bid. **In any event, however, the Department Head/Project manager will notify the Board of Estimate and Apportionment in writing of his/her recommendation to release the bid security.** In turn, the Board of Estimate and Apportionment will forward the Town Clerk a memorandum; permission to form a Resolution will then be obtained from the Town Board. The Town Clerk will then notify the bookkeeper.

COMBATTING FRAUD IN PUBLIC PURCHASING (make separate page)

The federal and state antitrust statutes constitute the principal body of laws, which are designed to prohibit sellers from exercising excessive market power, restraints of trade, and unfair competitive practices. New York State's Antitrust Law, known as the Donnelly Act, Sections 340-347 of New York's General Business Law, was enacted in 1893. The Act prohibits price fixing, bid rigging, monopolization, boycotts, tying arrangements, and territorial and customer allocations, among other practices. Violation of the Donnelly Act is a felony, punishable by a fine of up to \$1,000,000 for corporations and up to \$100,000 and 4 years imprisonment for individuals.

The antitrust laws in New York are enforced by the Attorney General of New York State, the United States Department of Justice, and the Federal Trade Commission and by private citizens and businesses. The public has a vital role to play in antitrust enforcement. Any municipal/governmental employee with any information about behavior which is believed to violate the antitrust laws should contact the Attorney General's office. This communication is by law subject to the strictest rules of confidentiality.

If, as an employee of the town, there is any question or further information is desired, the Town Comptroller, Town Attorney or Town Supervisor can be contacted.

PROFESSIONAL SERVICES

Professional services can be divided broadly into two types:

- A. **Proprietary Services** – Services relating to the kinds of proprietary services performed by an independent contractor requiring special knowledge, experience, expertise, or similar capabilities, where the service rendered does not consist primarily of equipment or materials. An example would be pest control services, laundry services, security services, or maintenance of equipment. Sealed Competitive Bidding/Formal Price Quotes are the usual methods for awarding contracts.
- B. **Services of Professionals** – Would be the second type, such as architects, engineers, accountants and consultants. Formal price quotes or Request for Proposals (RFP'S) are the usual methods for awarding such contracts. In some circumstances, Competitive Sealed Bidding may be used.

PETTY CASH

A petty cash should be established in the major departments for reimbursement for small items under \$25.00 that are not kept in Central Supply. [NOTE: Central Supply abolished in 2010.]

Example: Federal Express and overnight deliveries, business lunches.

This account would be controlled by the Department Head/authorized person and kept locked in one area.

- **Police Department** – Police Chief/Authorized Person(Secretary) \$300

- To Include: Police Department
Town Justices
Dispatch Center
Animal Control
- **Engineering** – Town Engineer/Authorized Person(Secretary) \$100
- To Include: Assessor
Engineering
- **Codes** – Codes Enforcement Officer/Authorized Person (Secretary) \$200
- To Include: Codes
Planning Planning Board
Zoning Zoning Board
- **Parks & Recreation** – Director Parks & Recreation/Authorized Person (Secretary) \$250
- To Include: Parks
Recreation Center
Buildings & Grounds
- **Highway Department** – Highway Superintendent/Authorized Person (Secretary) \$250
- To Include: Highway
Garage
Sewer
- **Nutrition Site** – Director/Authorized Person \$150
- **Administrative** – Bookkeeper \$100
- To Include: Accounting
Town Supervisor
Payroll/Personnel
- **Town Clerk** – Town Clerk/Authorized Person (Deputy I) \$200
Tax Receiver (for tax collection period only) \$200

Any purchases will be verified by a vendor receipt and attached to a petty cash slip, signed by person receiving the money, dated, signed by authorized person and account to be charged.

These slips are totaled and attached to a voucher equal to the amount of slips attached, accounts to be charged noted on voucher.

Completed voucher is forwarded to Finance Department with a purchase order.

Petty cash box will always equal the original account – slips, plus cash in box.

NEW YORK STATE CONTRACTS

State law makes it possible for municipalities to procure materials, supplies or equipment through the State Division of Standards and Purchase. When valid state contracts are used, it is no longer necessary to obtain quotes or sealed bids. Purchase orders must contain the state contract number. Awards and updates are issued periodically by the State and kept on file in the Finance Department.

Purchase/requisition may be typed by the departments, with the New York State Contract Number typed on the purchase order. These purchases are still subject to review and approval by the Town Supervisor.

ONEIDA COUNTY CONTRACTS

Section 103 (3) of the General Municipal Law permits any municipality within Oneida County to make purchases of materials, equipment or supplies through Oneida County. These purchases still are processed through the Comptroller and the appropriate Oneida County Reference number has to be included on the purchase order/requisition in order for it to be approved.

Note: All state and county contracts/reference numbers are checked by the Comptroller/Director of Finance to verify that they are still valid.

Every item is a potential source for salvage. Every department should be responsible for reviewing and recommending items for salvage when the items become excess to the department's needs.

All surplus, obsolete or unused supplies, materials and equipment shall be identified and reports to the Finance Office. She will, in turn, require that a Notification of Scrap/Surplus form be completed and sent accordingly with recommendation. The Finance Office, the reporting Department Head and other appropriate Town personnel shall make a recommendation to the Town Supervisor whether the items should be sold, transferred, donated, or disposed of.

1. Transfer for holding at Finance Office for future Town use (Requires the approval of the Finance Office):

The Finance Office will keep an ongoing list of all accumulated items that will include the following:

- Description of item including condition
- Location it came from
- Recommendation of department head
- Course of action taken by department and /or Finance Office

This list will be available to all departments on an “as needed basis” under the title “Available Used Equipment.” With no demand, the material will be included in the next “Scrap & Surplus Bid.”

- 2. Transfer to another Department** – Upon completion of the form the Finance Office will make the appropriate adjustment and transfer in the fixed asset database.
- 3. Hold at department for future course of action** – The Finance Office will add this to the respective surplus inventory list pending future departmental requests or the next scrap and surplus bid.
- 4. Donated** – Any donations to organizations must be approved through an official Town Board resolution.
- 5. Disposal** – Please make sure that the form has been completed and approved, with all T.O.C. documentation taken off and discarded accordingly. Contact D.E.S. for proper disposal.

IMPLEMENTATION OF A SCRAP AND SURPLUS BID

The Finance Office, in conjunction with the Town Supervisor, will make a determination as to the time to proceed with a Scrap & Surplus Bid/auction or e-bay sale. A general memo shall go out to each department notifying them of the impending bid and establishing a working list of materials. The bid will not be open to any Town employees.

A list of “useable” items should then be circulated to departments for their possible use. Each department will be given the opportunity to review the list and request a surplus transfer if desired. Transfers must be noted to the Supervisor.

Prior to awarding items, the Supervisor, the Clerk’s Office and the respective Department Head will receive notification of the following:

1. Successful vendor and their Bid
2. Revenue allocation per Department
3. Total Number of Bidders

Once the bid/auction/sale has been completed the “Award of Sale” must be approved and signed by the Town Supervisor. Once signed, the Town Supervisor should request a Resolution pertaining to an award. Once the resolution is completed, the Town Supervisor is authorized to proceed with award notices. Payment should be made to the Town Clerks Office with administrative procedures coordinated by the Finance Office.

GREEN PROCUREMENT

Green Procurement, also known as environmentally preferable purchasing (EPP), is an effort to purchase products and services that have a reduced negative impact or increased positive impact on the environment and human health compared to traditional products. Green products or services may be recycled, consume fewer natural resources, last longer or include or produce less toxic substances or solid waste. Considerations for green procurement may also include the

environmental cost of raw materials, manufacturing, packaging, transporting, distribution, storing, handling, using, maintaining and disposing of the product. Pollution prevention is at the core of green procurement, which strives to reduce or eliminate the use and generation of toxic substances, pollution or waste. As with any purchase, the products form, function and utility is the final evaluator.

The Town of Cortland Purchasing Office recognizes the economic and environmental value of environmentally preferable purchasing and will explore green procurement options for certain commodities and services in conjunction with the end user. The Central Supplies Office will also assist departments with exploring options pertaining to Green Cleaning Products.

Certain purchasing functions (such as solicitation of information regarding product specifications), may be obtained from the requesting Department Head. This will not relieve Purchasing of its primary responsibility.

The Purchasing Department tries to make available information of interest to the various Departments. On many occasions a using department will acquire information or knowledge that will be of general interest to other departments. On such occasions it will be appreciated if this information is passed on to the Purchasing Department. This pertains to all Green Products.

The Purchasing Department will then be able to act on it for the general benefit of the Town operation and be in a position to disseminate this information to the various Town departments. While the Purchasing Department does endeavor to keep abreast of new developments and conditions in the market place, on many occasions personnel in the using departments will receive information not readily available to the Purchasing Department. It would be considered of tremendous assistance if this information were shared with the Purchasing Department.

DECISION TO PURCHASE GREEN

The decision to purchase "green" involves many decision makers. The end user, department head, purchasing official, Comptroller and Town Supervisor can all participate in the process that may involve many steps. These include:

Needs Assessment: Based on our current scope of work does a Green Product accomplish our performance goals and meet our needs.

Product Research: Does a Green Product exist on the market that would meet the spirit of the intent of this policy.

The New York State Office of General Services is a recommended starting place for energy efficient products and alternative fueled vehicles.

Products available on State contract:

Energy Efficient Products — The attached table list contracts that include energy efficient products. <http://www.ogs.state.ny.us/purchase/spg/pdfdocs/EnergyRecycled.pdf>

Cleaned Fuel Vehicles and Fueling Equipment Contracts —
www.ogs.state.ny.us/supportServices/vehicles/defaultCFV.html

Green Cleaning approved products from OGS
<http://www.ogs.state.ny.us/purchase/GreenCleaningProducts.asp>

New York State Green Cleaning Program
<https://greencleaning.ny.gov/Entry.asp>

Information about Environmental Purchasing
<http://www.ogs.state.ny.us/purchase/EnvironmentPurchasing.asp>

NYSERDA - New York State Energy and Research Development Authority Executive Order No. 111 "Green and Clean" State Buildings and Vehicle Guidelines
[www.nyserdera.org/programs/State Government/exorder111guidelines.pdf](http://www.nyserdera.org/programs/State%20Government/exorder111guidelines.pdf)

Energy Star
A government-backed program helping businesses and individuals protect the environment through superior energy efficiency.
www.energystar.gov

Cost consideration: As a general rule the Purchasing Director should not consider purchasing Green Products over comparable conventional products if the cost of the Green Product exceeds by over 25% the cost of comparable Conventional Product. When evaluating the cost of a Green Product and a comparable product, Purchasing shall compare total costs over the life of an item, including, but not limited to: the costs of maintenance, insurance, disposal, replacement, safety and health, training, material management and potential liability costs.

EXAMPLES OF CURRENT POLICY IMPLEMENTATION **Documented with Green Purchase Evaluation Forms**

- **Utilize Energy Star requirements where applicable**
- **Purchase of environmentally friendly "cold patch" by Highway Department***
- **Evaluate Fleet options**
- *Example — Snow Plow Trucks, Sanitation Truck*
- **Purchase of Green filters by Highway and Sanitation Division**
- **Monitoring copy Paper use**
- **Purchase of Greenwave Plates**
- **Purchase of environmentally forks, spoons, knives***

- **Purchase of networkable/multifunction copiers**
- **Limit the purchase of printers**
- **Replace foam cups with hot paper cups**
- **Replace appropriate cleaning supplies with Green Products**
- **Revise contractual options and specifications to allow for "Green Alternatives"**
- ***Example — Organic Field Restoration, Janitorial Supplies, Heating Oil***
- **Improve user education with sharing of resources *Example — New York Green Cleaning Programs (OGS), Westchester County Initiatives***
- **Utilize an electronic solicitation system**
- **Require analysis of Green options pertaining to most solicitations**
- **Utilize "Green Samples" available in the marketplace**
- **Utilize New York State Contract for Natural Gas**

EMERGENCY PURCHASES

Only those situations that require immediate action, apart from normal procedures, would classify as “emergency”.

This would include situations that would be threatening to life and property due to fire, explosion, flood, electrical failure or extreme weather and immediate action is required. Also, when an emergency vehicle is involved and repairs are required immediately, to enable the vehicle to be put back in service.

Procedure:

Emergency situations are brought to the attention of the responsible department head immediately and action is taken to correct the situation immediately.

Written notification is made by the department head, in detail, describing the situation and what action was taken, also what further action is required to put things back in normal operating order. Notification is sent to the Town Supervisor and Town Comptroller/Director of Finance.

Unless an emergency meeting is required, at the next Town Board meeting, the Supervisor, Comptroller/Director of Finance and responsible Department Head will apprise the

Board of the situation, what was done and what needs to be done. The situation can only be declared “emergency” by Town Board resolution. This will allow necessary repairs to be made.

A permanent file for each emergency will be maintained of all memos, correspondence, police reports (if required), resolutions and vouchers in the Finance Department.

Any vouchers/expenses involved with the emergency will have to have authorization (signature) of the Town Supervisor prior to being processed. In all cases, reimbursement is sought from insurance company. Any legal consultation required will be obtained by and go through the Town Comptroller/Director of Finance or Town Supervisor’s office.

BLANKET ORDERS

Blanket purchase orders or vendors with established accounts may be used for the sole purpose of purchasing items considered to be of immediate need or for the purpose of consolidating purchases.

The reason for the use of blanket purchase orders are two-fold:

1. To eliminate the necessity of issuing separate purchase orders for groups of items which are purchased frequently from the same pre-approved vendor, such as, stock items, automotive supplies, etc.
2. To allow the department to purchase items of this nature on an “as-needed basis” when there is no inventory maintained.

Blanket orders can only be issued to vendors who have been pre-approved by the Comptroller/Director of Finance and accounts have been established with these vendors prior to any purchases.

Arrangements for establishing these accounts are to be made through the Comptroller/Director of Finance and not directly with the vendors.

Blanket orders are to be kept at a minimum and these accounts will be reviewed and updated annually.

SOLE SOURCE PURCHASE

Sole source *refers to the source, not the product or service*. Justification for a sole source purchase depends upon a needed item being available from only a single supplier under the prevailing circumstances.

There would be very few situations where a sole source purchase would apply to the Town’s needs. A sole source purchase could only be made after review by the Town Supervisor and Town Attorney. This review and subsequent decision to obtain a product/service from a sole source vendor must be documented by both parties above.

TRAVEL

Mileage Reimbursement

Reimbursement rate - \$.46 per mile. This is subject to change each year.

Any employee requested to run errands/make deliveries on a continual basis and no Town vehicle is made available to them, is entitled to reimbursement at Board approved rate. Approval of such requests would be made on an individual basis between the Department Head and the Town Supervisor.

A mileage log must be kept, copy of which would accompany request for reimbursement.

Requests would be submitted as a reimbursement consideration only. A town vehicle should be available when these errands have to be made and reimbursement requests should be at a very minimum.

Travel

The Expense Report Form, which is attached, is completed with all receipts attached and attached to a completed voucher and purchase order, all signed by the Department Head. This is forwarded to the Comptroller/Finance Department for processing.

Seminars and Conferences

Reimbursement is only made for Town Board approved professional seminars and conferences. The Expense Report Form is completed and attached with all receipts for meals, hotels, travel, etc. This is attached to a completed voucher and purchase order, signed by department head and forwarded to the Comptroller/Finance Department for processing

Advances

In certain cases, an advance may be needed by the employee. When this occurs, the purchase order and voucher for the advance must be approved by both the appropriate department head and Town Supervisor, regardless of amount. The advance must be reflected on the Expense Report.

When hotel accommodations are necessary, the Town tax exempt number is given at the time reservations are made to eliminate any tax being charged. This number can be obtained from the Comptroller/Finance department.

**TOWN OF NEW HARTFORD
EXPENSE REPORT FORM**

Name: _____ Dates of Travel: _____

Department: _____ Destination: _____

Transportation:

Auto _____ miles x \$.46-

Tolls and Parking -

Other (air, train, bus) -

Total Transportation: \$ _____

Lodging:

Hotel (Room & Tax Only) -

Telephone Charges -

Laundry/Valet * -

Other -

Total Lodging: \$ _____

*ONLY IF BUSINESS TRIP EXCEEDS 5 DAYS

Meals (Include Tax & Gratuity):

Breakfast -

Lunch -

Dinner -

Total Meals \$ _____

Local Transportation:

Auto Rental -

Taxi (include gratuity) -

Other (bus, subway, etc) -

Total Local Transportation \$ _____

Miscellaneous:

Total Miscellaneous \$ _____

Total Expenses \$ _____

Advance from Town \$ _____

Due to Town \$ _____

Due to Employee \$ _____

ALL RECEIPTS MUST BE ATTACHED TO RECEIVE REIMBURSEMENT

FIXED ASSETS AND INVENTORY

A physical inventory will be done on or before June 30th, of every other fiscal year.

A fixed asset perpetual ledger will be maintained in the Finance Department. If an item is added or removed from a department or moved from one department to another, the Comptroller/Director of Finance will be notified prior to this, in writing, with date, reason, signature of department head and item.

It is recommended that each department maintain their own fixed asset files for reference.

As purchase orders are processed, any item charged to a .02 account (equipment) is entered into a fixed asset ledger, maintained by the Finance Department. Any additions or deletions are also noted.

When the annual physical inventory is done, the dollar amount arrived at through physical inventory should equal the ledger amount maintained in the Finance Department.

Equipment and property is also added or deleted from insurance coverage at the time of change. Accurate and timely information allows the Town lower insurance premiums.

FINANCING OF CAPITAL IMPROVEMENTS

In July 1991, legislation was enacted, as Chapter 413 of the Laws of 1991, to expand the authority of “political subdivisions” to finance capital improvements through Installment Purchase Contracts and Certificates of Participation (lease financing).

There are guidelines and restrictions governing these agreements. All financing of capital improvements will be handled through the Town Comptroller’s office, with no exceptions.

LEASES

All leases will be negotiated by the appropriate Department Head, Town Attorney and Town Supervisor.

All leases will be subject to guidelines set forth and adopted in this purchasing manual.

The recommended agreement will be given to the Town Board for their review and approval by formal resolution.

Only upon adoption by formal resolution of Town Board will lease be executed.