

Procurement and Purchasing Policy

Background

This policy has been developed to ensure that the Town of West Seneca New York (the "Town") is in compliance with New York State Municipal Law concerning the procurement of goods and services as defined herein.

Each municipal governing body is to adopt a procurement policy for all goods and services which are not required by law to be publicly bid. This ensures that goods and services which are not required by law to be procured pursuant to competitive bidding are procured to assure the prudent and economical use of public moneys, 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.

All purchase contract involving an expenditure of more than \$20,000 and all contracts for public works involving an expenditure of more than \$35,000 must be publicly bid.

This policy supersedes any policy previously issued and approved. This policy should be revisited annually at the Town's reorganization meeting.

Guidelines

A. Determine Aggregates

(1) Every prospective purchase of goods or services shall be evaluated to determine the applicability of 103 of the General Municipal Law. To determine whether the intended procurement is subject to competitive bidding, Town Officers, board members, department heads or other personnel must first determine if the expected town wide aggregate will exceed the aforementioned thresholds of \$20,000 for purchase contracts of \$35,000 for public works within twelve (12) months of the planned purchase.

Aggregates must be examined in two ways:

(a.) By Commodity or Service-Every town officer, board, department head or other personnel must determine the reasonably expected aggregate amount of all purchases of the same commodities, services or technology that will be made within twelve (12) months of the date of the planned purchase.

(b.) By Vendor- Every town officer, board, department head or other personnel must also determine the reasonably expected aggregate amount of all purchases of the same commodities, services, or technology within twelve (12) months of the date of the planner purchase will be made from the same vendor.

(2) Every town officer, board, department head, or other personnel with the requisite purchasing authority (purchaser) shall estimate the cumulative amount of the items of supply

or equipment needed in a given fiscal year. That estimate shall include the canvass of other departments and past history to determine the likely yearly value of the commodity to be acquired. The information gathered and conclusions reached shall be documented and kept with file or other documentation supporting the purchase activity.

B. Quotes and Proposals

Estimated Amount of Purchase Contract

Method

\$20,000 and above (required)

Formally bid pursuant to 103 of the General Municipal Law

\$10,000-\$19,999.99

Require a written request for proposal (RFP) and written quotes from three (3) vendors. RFPs should be sent to more than three, if possible.
Recommendations for approval to Town Board.

\$5,000-\$9,999.99

Require an oral request for the goods and written/email quotes from three (3) vendors -
Recommendations for approval to Town Board.

\$1,500-\$4,999.99

Approval from Town Board liaison, as designated at reorganization meeting and written/email quotes from two (2) vendors

\$0-\$1,499.99

Left to the discretion of the purchaser

Estimated Public Works Contract

Method

\$35,000 and above (required)

Formally bid pursuant to 103 of the General Municipal Law

\$10,000-\$34,999.99

Require a written request for proposal (RFP) and written quotes from three (3) vendors RFPs should be sent to more than three, if possible.
Recommendations for approval to Town Board.

\$5,000-\$9,999.99

Require an oral request for the goods and written/email quotes from three (3) vendors -
Recommendations for approval to Town Board.

\$1,500-\$4,999.99

Approval from Town Board liaison, as designated at reorganization meeting and written/email quotes from two (2) vendors

\$0-\$1,499.99

Left to the discretion of the purchaser

Any exceptions to the aforementioned thresholds (e.g., sole source provider, etc.) and quote requirements must be documented with a detailed explanation.

C. Documentation

(1) Any written RFP shall describe the desired goods, quantity, scope of services to be provided (where applicable), performance standards (where applicable) specifications of goods, price, payment terms, duration, liability clauses, and the particulars of delivery. The purchaser shall compile a list of all vendors from whom written/fax/oral quotes have been requested and the written/fax/oral quotes offered.

(2) Any information gathered in complying with the procedures of this chapter shall be preserved and filed with documentation supporting the subsequent purchase of public works contract

(3) All purchases greater than \$4,999.99 require of the submission of the town's standardized quotes form

(4) Electronic documentation shall be held in accord for compliance with Electronic Signatures and Records Act

(5) All RFPs must inform the potential bidders of the Town's reserved rights.

D. Good Faith Effort'

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, the purchasers shall document the attempt made at obtaining the proposals. In no event shall the inability to obtain the proposals or quotes be a bar to the procurement.

E. Claims Approval

Except as otherwise set forth below with respect to any exceptions, all expenditures are subject to the town's claims approval process. Each claim shall be individually approved by the department head, the finance department, and a board member. Prior to processing for payment, all claims should be reviewed and audited by the remaining board members. All Goods and services are tax exempt and should not be charged sales tax. After such audit, the Board shall pass a resolution acknowledging the claims have been audited.

F. Vendors/Bidders

Each vendor/bidder should be examined for financial and organizational capacity, legal authority to do business in the State of New York, and past performance on prior government contracts. In order for a vendor to be created in the Town's accounting software, the purchaser must remit a valid IRS Form W-9 and Town of West Seneca Independent Contractor Annual Statement of Disclosure (ATTACHMENT A) to the Finance Department.

G. Shipping

Goods should only be brought/shipped to Town offices or work sites. Goods should never be brought or shipped to personal residences or other non-town property.

Exceptions to the Procurement Policy

Except when directed by the Town Board, no solicitation of written proposals or quotations shall be required under the following circumstances:

- (1) Acquisition of professional services
- (2) Emergencies
- (3) Sole source situations
- (4) Goods purchased from agencies for the blind or severely handicapped
- (5) Goods purchased from another governmental agency
- (6) Goods purchased at auction
- (7) Goods purchased for less than five hundred dollars (\$500)
- (8) Public works contracts for less than five hundred dollars (\$500)
- (9) Preferred Source offerings
- (10) Piggyback contracts
- (11) OGS centralized contracts

All professional services contracts shall be examined by the Town Board every three (3) years; however, such review does not necessitate a written proposal or quotation. When seeking an RFP for professional services, the purchaser shall obtain responses from a minimum of three (3) vendors and should provide documentation if that is not possible. The decision that a purchase is not subject to competitive bidding should be documented in writing by the individual making the purchase. In the event of a question, all such purchases in excess of \$4,999.99 shall also be approved as to form by the Town Attorney to ensure compliance with this policy. This documentation may include a memo from the purchaser explaining the decision, a copy of the contract indicating the source which makes the item or service exempt, a memo from the purchaser detailing the circumstances which led to an emergency purchase, or any other written documentation that is appropriate.

Credit Card Purchasing

The Director of Finance shall designate and maintain an up-to-date list of Town credit card holders. A copy of that credit card holder list shall be supplied to the Town Board by January 15th of each year. Within thirty (30) days that a credit card account is opened or closed, the Director of Finance shall notify the Town Board. Prior to making a purchase with a Town issued credit card, the purchaser must obtain verbal or written approval from the cardholder, if a different individual, prior to any purchase. If verbal, the approval must be subsequently documented in writing. Once the purchase is completed, the transaction should be recorded on a departmental usage log, similar to the Town's Credit Card Purchase Request Form (ATTACHMENT B). Once all purchases are completed for the month, the log must be remitted to the department head for recording in the Town's accounting software and forwarded to the Finance Department.

Credit card payments should not be made prior to the voucher being reviewed by the Finance office and by the Board. To ensure this, credit card transactions should be added to the Town's accounting software one week after receiving the statement.

To the extent feasible, regular vendors should be using a voucher system rather than individual credit card purchases.

Approvals

Purchasing

All requisitions should be approved by the associated department head and board liaison to ensure proper procurement documentation is attached and that funding is available.

Claims

All expenditures are legally subject to the town's claims approval process to ensure that

1. The claim is for a valid and legal purpose
2. The claim was incurred by an authorized official
3. Goods have been received and/or services have been rendered
4. An appropriation is available
5. Proper documentation is attached

Each claim shall be individually approved within the Town's accounting software by the department head, the finance department, and a board member. Additionally, prior to processing for payment, all claims should be compiled within a warrant and reviewed and audited by the remaining board members. After such audit, the Board shall pass a resolution acknowledging the claims have been audited and directing payment.

Per the Office of the New York State Comptroller, payments that do not require an audit prior to paying include:

1. Payroll related expenses
2. Payments related to indebtedness
3. Court ordered payments
4. Contracts exceeding one year
5. Retirement system payments

Per the Office of the New York State Comptroller, payments allowed in advance of an audit include:

1. Public utility services including electric, gas, water, sewer and telephone services
2. Postage
3. Freight and express charges
4. Petty cash reimbursements

Definitions

- Requisition* – An internal request to purchase goods or services. This should be completed prior to making the actual purchase. A requisition should include a description of what is being purchased, the vendor being utilized, the price and the account funds will be charged to. All bidding/quote documentation as required in the procurement policy should be attached to the requisition in the Town's accounting software. Please note that requisitions should not be used for capital projects.
- Purchase Order* – A legally-binding document that can be used externally between the purchaser and vendor. This document is created by the Town's accounting software automatically and confirms an order. A purchase order must be amended within the Town's accounting software if an agreement changes.
- Voucher* - A document summarizing the invoice information needed for payment. This should include the physical, itemized invoice attached as well as any associated order information and packing slips, if applicable. This information should be reviewed during the approval/audit process and is vital for proper accounting. The voucher should also reference the purchase order number assigned during the beginning of the procurement process.

Failure to adhere to the aforementioned policy is strictly prohibited and will result in an investigation and potential discipline by the Town Board, consistent with any collective bargaining agreements and law.

Town of West Seneca
Credit Card Purchase Request Form

Credit Card Ending: _____

Dept: _____

Month: _____

Year: _____

Please have all purchases approved by the card holder prior to the purchase being made.

Date	ORG	Object	Description	Vendor	Price
Dept Head Signature _____				TOTAL	

TOWN OF WEST SENECA

INDEPENDENT CONTRACTOR

ANNUAL STATEMENT OF DISCLOSURE

FOR CALENDAR YEAR: ____ _

INSTRUCTIONS:

All individuals who have an ownership interest in a business entity, including, but not limited to, a corporation, limited liability company, partnership, sole proprietorship, or any other business entity organized under the laws of New York State shall complete this form.

FILL OUT COMPLETELY

NAME:

_____ (Last) (First) (Middle initial)

ADDRESS: _____ NY _____
(StreetAddress) (Town) (Zip Code)

POSITION HELD: _____
(Department) (Title)

OWNERSHIP INTEREST ¹: _____

Please List any real property in the Town of West Seneca where you, as an individual², own or hold any ownership interest³:

¹ Ownership Interest, includes, but is not limited to, the ownership of stock, membership units, silent partner, an ownership of a right to vote, or any other ownership interest, monetary or nonmonetary where one would receive a benefit from such business.

² For the purpose of this section an individual shall be deemed to have an ownership interest when he or she individually maintains any ownership interest in real property, or (a) is an officer or director of a business entity that owns any interest in real property or (b) owns or controls stock of a corporate or business entity that owns any interest in real property, or (c) is a member of a partnership or limited liability company, which maintains any ownership interest in real property.

³ See footnote 1.

Please List any Relatives employed by the Town of West Seneca or appointed to serve on a Committee in the Town of West Seneca:

Relative Name	Relationship	Position Held

Relative - A spouse, parent, stepparent, sibling, step-sibling, sibling's spouse, child, stepchild, uncle, aunt, nephew, niece or household member of a Town official, officer or employee and individuals having any of these relationships to the spouse of the Town official, officer or employee.

The purpose of this Annual Statement of Disclosure is to identify potential conflicts of interest before such conflicts occur. In answering the questions on this Annual Statement of Disclosure, the following definitions are critical:

1. Interest, as used in this Annual Statement of Disclosure, is defined as follows:
 - A. Providing goods, influence, investment, property or service(s) to any person, business or entity for which compensation or benefit is expected or received; and
 - B. Holding ownership, title or right, individually⁴ or with others, to real property, within the Town of West Seneca.
2. Contract, as used in this Annual Statement of Disclosure, shall be defined in accordance with the Standard English usage.

Please answer the following questions.

1. Have you, your spouse/partner or relatives had any interest in any business or entity doing business with the Town currently or within the past twelve (12) months?

Yes: __ No: ___

⁴ See footnote 2.

2. Have you, your spouse/partner or relatives had any interest in any contract made or executed by the Town of West Seneca within the past twelve (12) months?

Yes: No: ___

If you answered yes to any of these 2 questions, you should describe the nature, source, amount of such benefits, compensation and/or other considerations. Please attach an additional sheet of paper if necessary.

List any position held in any other business, association or not-for-profit organization held by you, your spouse/partner or relatives that has or could in the future transact business with the Town of West Seneca.

Business Name	Person Name	Nature of Business

During the current year, if there are any changes in your answers to anything on this form, you must file an amended "Annual Statement of Disclosure" with the Town Clerk within thirty (30) days of such change.

I HEREBY CERTIFY THAT THE INFORMATION I HAVE PROVIDED IN THIS ANNUAL STATEMENT OF DISCLOSURE IS TRUE, CORRECT, AND COMPLETE. I HAVE REVIEWED THE CURRENT CODE OF ETHICS FOR THE TOWN OF WEST SENECA.

(Signature)

Date: _____

(Print Name)

(Return this form to the Town Clerk)