

TOWN OF WEBSTER – PURCHASING POLICY

1. **PURPOSE:**

This regulation outlines the Town's policy and procedures for **all purchases**. That includes supplies, materials and/or repairs. The Selectmen require that all purchasing be centralized and appropriate line items be assigned. This is to encourage better budgeting, public disclosure and financial control.

Routine and/or periodic purchases will come from the Department's regular operating budget.

Capital Reserve Funds are to be used only for their stated purposes. Capital Reserve Funds for equipment are only to be used for items that are long term in nature that costs to purchase and/or install equal or exceed \$250 and not for items normally consumed in the current year.

2. **DEPARTMENT HEAD – DEFINITIONS:**

Department Heads: – Police Chief, Fire Chief, Emergency Management Director, Administrative Assistant, Financial Administrator, Town Clerk, Tax Collector, Treasurer, Planning Board Chairman, Zoning-Board Chairman or designee as assigned by the Department Head or the Board of Selectmen.

3. **PROCEDURE:**

PURCHASE ORDER NUMBERS:

PURCHASE ORDER #'S ARE AVAILABLE FROM THE FINANCIAL ADMINISTRATOR

A Purchase Order Number will be assigned through the Board of Selectmen's Office by the Financial Administrator for **ALL PURCHASES over \$250.00** for supplies, materials, and/or repairs. **ALL PURCHASES** shall be in the name of the Town of Webster, not in the name of the individual Departments of the Town.

Local Preference Purchasing Policy

The Board of Selectmen has determined that it is in the best interest of the Town to give a Local Preference to local residents, workers, businesses, contractors, producers and dealers.

Preference shall be given for purchases from and/or contracts let to local vendors or suppliers whenever reasonable unless there are demonstrable considerations of cost, quality or **conflict of interest**.

This policy shall not apply when:

Goods or services are provided under a cooperative purchasing agreement or intergovernmental agreement
Purchases or contracts which are funded, in whole or in part, by a governmental entity and the laws, regulations, or policies governing such funding prohibit application of that preference.

Purchases made or contracts let under emergency or noncompetitive situations, or for litigation related legal services, etc.

Application of Local Preference to a particular purchase, contract, or category of contracts may be waived by the Board of Selectmen.

Once a PO # is assigned the Purchase Order shall be generated by either the Financial Administrator or the Administrative Assistant through the Selectmen's Office.

The Financial Administrator will provide the Department Heads with a list of their department budget line item numbers. This will ensure that the purchase is charged to the appropriate budget line number.

Department Heads are authorized to approve/make purchases under \$250.00 without a Purchase Order.

Request for Purchase Orders **over \$250.00** must contain the following information:

- Vendor's name with the complete address;
- Itemized description of all items being purchased including quantity and prices;
- Account # will be assigned either by the Department Head or Financial Administrator;
- Purchase Order will be dated and approved by signature of the Board of Selectmen;
- Either a detailed quote and/or estimate must be provided from the Vendor along with an explanation if not self explanatory.

If the cost of a product/service being purchased is not known at the time of the order, the processing of the Purchase Order with an estimated cost(s) shall be prepared and processed with the estimated cost reflected thereon. Once an invoice has been received; it will be attached to the estimated Purchase Order for payment and processing.

Authorized Signatures:

Purchases **over \$250.00** require **BOARD OF SELECTMEN APPROVAL PRIOR** to purchase.

Price Quotes:

Three quotes are required for purchases over \$10,000.00 or a formalized bid process to include specifications required with sealed bids. The bid shall be awarded to the company that meets the required specifications, maintains the quality and service required. The low bidder will receive the award unless supporting information presented by the Department Head recommends another bid. Acceptance of all bids must also have approval by the Board of Selectmen.

All Capital Outlay/Improvement expenditures, except for vehicle purchases, over \$10,000 not put out to bid must have an explanation by the Board of Selectmen as to why the expenditure was not put out to bid is to be printed in the next Annual Town Report per vote of the Legislative Body at Town Meeting on March 15, 1997.

Capital Reserve withdrawal requests must meet the following criteria:
each item and/or installation for each item must be for \$250.00 or more and
be used only for the Capital Reserve stated purpose.

The quote or bid process may be waived by the Board of Selectmen if:

There is only one source of supplies, service or materials;
or when the service or products are received through the State or other joint bid processes;
or in cases of emergency or justifiable special circumstances that require the timely procurement of goods or services.

ITEMS REQUIRING BOARD OF SELECTMEN APPROVAL:

Any Department Head wishing to move an appropriated amount from any line item in their operating budget **in excess of \$250** shall first request and obtain Board of Selectmen approval.

ITEMS NOT REQUIRING A PURCHASE ORDER:

Listed below are items which do not require PO.'s or additional signatures other than the Department Heads. The only requirement is the submission of the appropriate Invoices with all supporting documentation attached including delivery and/or packing slips.

- Attendance at conferences and seminars
- Mileage, meals, membership (dues) renewals, etc.
- Utility bills (telephone, cell phone, electric, propane, oil, etc.); Service Contracts: (i.e. Copiers, Assessing Company, etc.); and Mandated payments (i.e. for TAN's, Bonds, MVSD, State, County, Pillsbury Lake Water District, Welfare Assistance, and the Webster Free Public Library). **All of the above Invoices must also have all supporting documentation attached including delivery and/or packing slips in order to be processed for payment.**

4. INVENTORY OF PROPERTY:

On an Annual Basis all Department Heads are required to update and keep an inventory of the department's property. All items valued over \$5,000 must be reported on the GASB 34 list of property. All property valued between \$500 and \$4,999 must be kept on an inventory list on file at the Selectmen's Office.

5. EFFECTIVE DATE:

This Policy shall remain in effect until rescinded or amended by the current and/or future Boards of Selectmen.

ADOPTED BY THE BOARD OF SELECTMEN AT THEIR MEEETING ON
March 10, 2008

WEBSTER BOARD OF SELECTMEN

George K. Hashem-Chairman

David E. Klumb

Thomas S. Mullins