



TOWN OF COLONIE
PROCUREMENT POLICIES
AND
PROCEDURES

September 21, 2017

Town of Colonie

Purchasing Policy and Procedures

Mission Statement

The Town of Colonie General Services Department dedicates itself to the procurement of the right goods and services at the right price for the various Town departments in a timely manner assuring the prudent and economical use of public monies. The Town will facilitate the acquisition of goods and services at the lowest possible cost and at the same time guard against favoritism, extravagance and fraud.

Introduction

It is, therefore, essential that the purchasing policies and procedures of the Town of Colonie be clearly established and understood by all concerned.

The Purchasing Manual has been prepared as a statement of the policy upon which our purchasing practices and procedures are based.

The Town declares its intention to purchase competitively without prejudice and to seek maximum operational value for every dollar expended.

Purchasing Policy

- ❖ The General Services Director is responsible for reviewing and administering the purchasing program of Town of Colonie.
- ❖ Members of the Purchasing Department shall maintain effective and professional public, vendor and customer relationships.
- ❖ To maintain a high level of quality service to our customers, we encourage our staff to participate in the numerous educational opportunities offered in the purchasing field; and to keep abreast of current developments in market conditions, pricing, new products and New York State laws as they pertain to the purchase of goods and services for the Town.
- ❖ The Purchasing policy herein shall be administered in accordance with all ethical rules called for by the Town of Colonie and the National Institute of Governmental Purchasing Code of Ethics.
- ❖ The purchasing procedures employed will comply with all applicable laws and regulations of New York State and shall be subject to the approval of the Town Board.
- ❖ Each procurement request will be examined by a member of the Town of Colonie Purchasing Department and processed according to the guidelines set forth under the appropriate section of the attached Purchasing Procedures.
- ❖ The Town of Colonie Purchasing Department will maintain adequate documentation of all action taken in connection with each method of procurement. Such documentation shall include but not be limited to any and all pertinent Board resolutions, memoranda, written quotes, contracts and any other appropriate form of documentation.
- ❖ If the General Services Director finds a supplier to be an irresponsible bidder, bid notices shall not be sent to that vendor, however any vendor will be provided with the bid package if requested. Irresponsibility is determined by a vendor failing to adhere to the terms of a contract, having repeatedly made slow or unsatisfactory delivery of supplies or services or having been found by a court of competent jurisdiction to have engaged in unlawful employment or business practices within the previous twelve (12) months.

- ❖ When soliciting bids, a “General Instructions to Bidders” will be included with all specifications provided to suppliers. These general conditions will be incorporated into contracts awarded for the purchase of materials, equipment and services.
- ❖ Purchases shall be made under Town contract pursuant to all required Laws, through available state contracts (OGS), or Subd 3 of the New York State General Municipal Law (GML)103 and 104b which allows purchases of materials, equipment or supplies, or to contract for services, other than services subject to article nine of the labor law, through any publicly bid and awarded contract in compliance with NYS GML law, whenever such purchases are deemed by the General Services Director to be in the best interest of the Town.
- ❖ Supplies used by various Town departments should be uniform whenever consistent with operational goals in the interest of efficiency and economy.
- ❖ No official or employee will be interested financially in contracts entered into by the municipality (as defined in Section 800 of NYS General Municipal Law). This also precludes acceptance of gratuities, financial or otherwise, as stated in the Town of Colonie Code of Ethics.
- ❖ The Town of Colonie will not be deemed responsible for any commitment made at the departmental level circumventing these procedures. If Town procedures are circumvented, disciplinary action may be taken.
- ❖ Salespersons are encouraged to visit the Purchasing Department prior to or in conjunction with initial, individual department contact.
- ❖ The policies and procedures set forth in this manual shall be annually reviewed by the Town Board.
- ❖ The unintentional failure to fully comply with the provisions of NYS General Municipal Law Sections 103 and 104-b shall not be grounds to void any action taken or give rise to cause of action against the Town of Colonie, the Purchasing Department, or any officer or employee thereof.

Purchasing Policy and Procedures

Employees Responsible for Purchasing for the Town by Name and Title

Per General Municipal Law Section 104-b (2) (f) the Town is required to include in the Policy and Procedures Manual the list of individuals by name and title that are responsible for purchasing for the Town.

Name	Title
Paula Mahan	Town Supervisor
Linda Murphy	Town Councilperson
David Rowley	Town Councilperson
David Green	Town Councilperson
Paul Rosano	Town Councilperson
Jennifer Whelan	Town Councilperson
Christopher Carey	Town Councilperson
Douglas Sippel	General Services Director
Andrew Clermont	Purchasing Assistant
Jacqueline Commerford	Administrative Aide
Deborah Swedick	Buyer
Kathleen Cook	Administrative Aide
Suzanne Mauger	Purchasing Clerk
Christopher Kelsey	Acting Town Comptroller
Susan Kennedy	Accounting Assistant
Ronald Monfils	Sole Assessor
Donna Babie	Administrative Aide
Michael Magguilli	Town Attorney
Jan Neil	Confidential Secretary to Town Attorney
Paul Shepard	Building Department Manager
Joe Mahan	Senior Building Inspector
Wayne Spenziero	Senior Building Inspector
Lynn Gallant	Administrative Aide
Michael Burick	Personnel Officer
Nancy Andriano	Community Development Program Manager
Joanne Gannon	Administrative Aide
Peter Berry	Emergency Medical Services Deputy Chief
Chris Kostyun	Emergency Medical Services Assistant Chief
Carol Mahar	Administrative Aide
John Cunningham	Commissioner of Public Works
William Neeley	Public Works Operations Supervisor
Matthew McGarry	DPW Engineer
Jeffrey Heim	Vehicle Maintenance Supervisor
Karen Miller	Principal Fleet Maintenance Clerk
Michele Matuszek	Administrative Aide
Kevin Franklin	Town Historian
Rosemary Newton	Human Resources Director
Tracy Pirri	Personnel Assistant

Phyllis Hallenbeck
Julie Gansle
Mary Falace-Mayr
Michele Turcotte
John Frazer Jr.
Daniel Corey Seaver
Tina Miskewicz
Evelyn Neale
Kathleen Cook
David Cole
Joseph Nash
Lisa Travis
Marilina Daniels
Kirstin Smith
Michael Biance
Robert Mateja
Jimmy Onibokum
Patty Sampson
Andrea Harris
Laura Archambault
Noel Gebauer
Joseph LaCivita
Victoria Normandin
Jonathan Teale
John VanAlstyne
Michael Woods
Diana Blake
Diane Morgan
Chretien Voerg
Angelo Gaudio
Karen Stroebel
Camille Allen
Christine M. Cary
Carrie Blanchard
Judy Ekstorm
C. Michele Zilgme
Kimberly Cuva
Elizabeth A. DeTorto
Brian Caruso

Benefits Coordinator
Clerk of the Court
Senior Clerk to Town Justice
Justice Court Senior Clerk
Latham Water Superintendent
Water Engineer
Administrative Aide
Library Director
Administrative Aide
Librarian 2
Librarian 3
MIS Director
Application Analyst
Application Network Specialist
Computer Network Specialist
GIS Coordinator
Network Administrator
Senior Typist
Administrative Aide
Youth Services Specialist
Golf Course Manager
Planning and Economic Development Director
Administrative Aide
Chief of Police
Deputy Chief of Police
Deputy Chief of Police
Principal Account Clerk
Pruyn House Curator
Sewer District Superintendent
Sanitary Engineer
Administrative Aide
Principal Clerk
Senior Resources Director
Specialist II
Confidential Aide to Supervisor
Receiver of Taxes
Deputy Receiver of Taxes
Town Clerk
Deputy Town Clerk

Quotation and Bid Requirements for Purchases or Leases over \$1,000

POLICY:

It is Town policy to ensure fair and consistent consideration of potential vendors offering services to the Town, and to meet State requirements for competitive bidding for goods and services required by the Town. Minimum requirements for Quotes and Bids are as follows:

Purchase and/or

Total Lease Amounts with a purchase option
(Excluding Public Works Contracts)

Quote and Bid Requirements

\$1,000 - \$2,500	Department Does Price Check.
\$2,501-\$5000	Three verbal quotes obtained and documented by the department in coordination with Purchasing.
\$5, 001-\$20,000	Three or more written quotes, documented by the vendor, obtained by the Purchasing Department.
Over \$ 20,000	Competitive public bid required.

True Leases:

True leases are defined as leases without the option to purchase. As True Leases are exempt from the Competitive bid requirement, three written quotes will be required to insure the Town obtains the best value for the lease dollars spent. The total annual cost of the lease will be used to evaluate the quotes received in awarding the lease. For the purposes of this provision, leases should be closed-end, with agreed upon residual values and mandatory turn-in at end of lease. Lease documentation should include negotiated price, residual value and term and payment amounts.

Public Works Contracts
(Material and Labor)

\$3001-\$10,000 Three verbal quotes obtained and documented by the department in co-ordination with Purchasing, and a Public Works Agreement.

\$10,001 -\$35,000 Three or more written quotes, documented by the vendor, requested by the Purchasing Department, and a Public Works Agreement.

Over \$ 35,000 Competitive public bid required, and a Public Works Agreement.

Aggregate Amounts – In determining if an item for purchase meets the bid requirements, the Town shall consider the reasonable expected aggregate amount of all purchases of the same commodities, services or technology to be made within the twelve-month period commencing on the date of the purchase. Purchases of commodities, services, or technology shall not be artificially divided for the purpose of avoiding the requirement to competitively bid the item required.

In each case the requesting department should make every attempt to obtain required quotes as defined above. If after good faith effort to obtain the required quantity of quotes, the requesting department is unsuccessful, the requesting department should document the actions taken and may submit the requisition with the lower quantity of quotes.

After obtaining quotes and approvals as defined in the purchasing procedures, the purchase should be awarded to the lowest quote unless there is just cause for awarding the quote to an alternate vendor. If a *quote* is awarded to a vendor other than a low quote the requesting department must submit documentation to Purchasing explaining why the award should be given to an alternate vendor. This documentation must accompany the requisition and all steps in the subsequent approval process.

If a *bid* is awarded to vendor other than a low bidder the requesting department must submit documentation through board resolution explaining why the award should be given to an alternate vendor. This documentation must accompany the requisition and all steps in the subsequent approval process.

Best Value

The Town Board seeks to exercise the local option set forth in § 103, Subdivision 1, of the New York State General Municipal Law, as amended by Chapter 608 of the Laws of 2011 and Chapter 2 of the Laws of 2012, which amendment authorizes the Town to award purchase contracts and contracts for services subject to competitive bidding under General Municipal Law § 103 on the basis of either lowest responsible bidder or “best value” as defined in § 163 of the New York State Finance Law. The “best value” option may be used if it is more cost efficient over time to award the good or service to other than the lowest responsible bidder if factors such as lower cost of maintenance, durability, higher quality and longer product life are taken into consideration.

The Town Board may award purchase contracts and service contracts that have been procured pursuant to competitive bidding under General Municipal Law § 103 by either lowest responsible bidder or best value.

The provisions of this chapter apply to Town Purchase contracts involving an expenditure of more than \$20,000.00 and Town contracts for services involving an expenditure of more than \$35,000.00 but exclude purchase contracts necessary for the completion of a public works contract pursuant to Article 8 of the State Labor Law and excluding any other contract that may in the future be excluded under state law from the best value option. If the dollar thresholds of General Municipal Law § 103 are increased or decreased in the future by the State Legislature, the dollar thresholds set forth herein shall be deemed simultaneously amended to match the new General Municipal Law thresholds.

Goods and services procured and awarded on the basis of best value are those that the Town Board determines will be of the highest quality while being the most cost efficient. The determination of quality and cost efficiency shall be based on objectively quantified and clearly described and documented criteria, which may include, but shall not be limited to, any or all of the following: cost of maintenance; proximity to the end user if distance or response time is a significant term; durability; availability of replacement parts or maintenance contractors; and longer product life; product performance criteria; and quality of craftsmanship.

Whenever any contract is awarded on the basis of best value instead of lowest responsible bidder, the basis for determining best value shall be thoroughly and accurately documented.

Procedure

<p>Purchases Or Leases from \$2,501 to and including \$5,000 or Public Works Contracts from \$3,001 to \$10,000- Documented Quote Procedure</p>
--

<p><i>Action Steps:</i></p>

<p>The Department Head confirms the availability of budgeted funds for the item and/or service and the need. If budgeted funds are available and item and/or service is within the spending ranges and not covered under an existing Town Contract, the Department Head checks for State Contract. If a State Contract does not exist the Department Head or designated employee in coordination with Purchasing, investigates three sources for the item and/or service. The exceptions are; printing services and office furniture, which must be coordinated and quoted by Purchasing. For any other item from \$2,501 to (and including) \$5,000, or public works contract of \$3,001 to \$10,000 department in co-ordination with Purchasing, must document the three verbal quotes for the item. Quote documentation must include the vendor name, phone number, contact name, the item and/or service, the amounts, the date of the quotes, and the person who obtained the quote. Documented quotes should be signed by the person obtaining the quotes. When quote or bid requirements are fulfilled, the Department Head then selects the vendor based upon lowest price of the three quotes. The documented quotes must be submitted to Purchasing along with a hard copy of the Standard Purchase Requisition. The Standard Purchase Requisition follows the same steps as all Standard Purchase Orders.</p>
--

<p>For Purchases or Leases from \$5,001 to and including \$20,000 or Public Works Contracts from \$10,001 to and including \$35,000 – Written Quotation Procedure</p>
--

<p><i>Action Steps:</i></p>

<p>The requisitioning Department Head e-mails Purchasing to request quotes for the purchase or lease specific goods or services within the value ranges listed above. In the e-mail, the Department Head defines the specifications for the item and/or service and suggested vendors to include in the quote solicitation.</p>

<p>Purchasing documents the request for quotation from the information supplied by the Department Head. If additional information is required, the Purchasing Agent will contact the requisitioning Department Head to add the necessary information. When complete, the Purchasing Agent submits the request for quotation to a minimum of three vendors for purchases or leases of \$20,000 and under or Public Works Contracts of \$35,000 and under.</p> <p>The Purchasing Agent receives responses to the quotation request, tabulates the combined results, and forwards copies of vendor responses, including proposals to the Department Head.</p>
<p>The Department Head reviews the vendor responses and selects the vendor from whom to acquire the goods and/or services. The Department Head then notifies Purchasing of the chosen vendor. The Department Head then creates a standard purchase requisition, submitting the quotation responses with the Purchase Requisition. The Purchase Requisition follows the standard purchase order flow to obtain approval.</p>
<p>Upon approval of the Purchase Requisition, Purchasing creates and mails an award letter to the chosen vendor, followed by a copy of the Purchase Order for the goods and/or service. For Public Works Contracts a formal Town of Colonie Agreement (Attachment 1) is required, preceding the Purchase Order. The Town Attorney creates the document with input from the Department Head. Once approved by all parties, the Agreement is sent to the vendor for signature. Invoices are processed in the same manner as other standard purchase orders.</p>
<p>For Purchases and Leases \$20,001 and above, and Public Works Agreements \$35,001 and above – Formal Public Bid Procedure</p>
<p><i>Action Steps:</i></p>
<p>For new purchases of \$20,001 and above or Public Works Agreements of \$35,001 and above the Department Head creates a “Request for Item to be Placed on Town Board Agenda” form and a document defining the specifications for the purchase and rationale. The Department Head then forwards both documents to the required approvers. Approvers include DPW/Engr. or MIS depending on the nature of the Purchase and all of the following: Comptroller, Director of General Services, and Town Attorney. When all signatures have been obtained, the Department Head forwards the specifications document and the “Request for Item to be Placed on Town Board Agenda” form to the Town Attorney’s Office.</p>
<p>The Town Attorney submits the signed “Request for Item to be Placed on Town Board Agenda” to the Town Board and monitors the response of the Town Board. The Town Attorney notifies Purchasing and the Department Head in writing of the Town Board’s response. If the Town Board approves the Purchase, the specifications and “Request for Item to be Placed on Town Board Agenda” form are forwarded to the Contract Administrator.</p>
<p>The Contract Administrator then creates a bid package documenting the bid specifications and response requirements, and a legal notice for submission in local papers, then forwards copies of both to Purchasing.</p>

Purchasing coordinates the submission of the legal notice with local papers. In addition, if there is no charge for the bid package, the Purchasing Agent mail copies of the bid package to vendors on the bidder list maintained within Purchasing for like goods and/or services. If there is a charge for the bid package, the Purchasing Agent notifies vendors on the bid list of the legal notice and fee for the package. Upon receipt of payment by Purchasing, the Purchasing Agent mails a copy of the bid package to the vendor(s) or holds for vendor pick-up.

Upon receipt of Bid responses, the Purchasing Agent tabulates responses and forwards copies of the responses and tabulation results to the requesting Department Head.

The Department Head reviews bid responses and selects the proposed vendor to award the purchase. The Department Head then fills out a “Request for Item to be Placed on Town Board Agenda” form to request formal authorization for the specific purchase. The “Request for Item to be Placed on Town Board Agenda” form along with bid responses is routed to the same approvers as the preliminary form used to authorize the bidding process. After the form has all required signatures, it is submitted, along with the bid responses, to the Town Attorney’s office for submission to the Town Board.

The Town Attorney submits the signed “Request for Item to be Placed on Town Board Agenda” to the Town Board and monitors the response of the Town Board. The Town Attorney notifies Purchasing and the Department Head in writing of the Town Board’s response.

If the Town Board approves the purchase, the Purchasing creates and mails an Award Letter, notifying the vendor of the approval for the Purchase.

If the purchase is approved, the Department Head creates a standard purchase requisition defining the terms of the purchase and specific items and services. The requisition, PO creation, receiving, and invoices follow the same flow as all other standard requisitions, Policy # 3.

Procurement of Professional Services and the Issuance of Requests for Proposals

POLICY:

The procurement of a Professional Service is an exception to the Competitive Bid provision of the New York State General Municipal Law. The Town may enter into a Professional Service Agreement without the need for a competitive bid. Use of a Request for Proposal is recommended when entering into a Professional Service Agreement as it provides an opportunity for the following:

1. The Town can review up to date services and technology available in the market place.
2. Several different approaches to accomplish the request can be evaluated.
3. Service Providers must compete for the Town's Business. This may lead to better service and lower cost for the Town.

A Request for Proposal (RFP) is a descriptive document that explains in detail the requirements and terms associated with specific services request by the Town from service providers.

While not every Professional Service Agreement will be entered into as the result of an RFP, the determination of when an RFP is required shall be made as follows:

1. The General Service Director in conjunction with the Town Attorney's Office will determine if a service is classified as a Professional Service and eligible for the exemption under the General Municipal Law.
2. If the service is determined to be Professional, the Department Head, the department Attorney office liaison, and the General Service Director will determine if an RFP shall be required to enter into this agreement.
3. Purchasing will provide a basic format for the Request for Proposal document to the initiating department. The department will be required to supply the specifications for the service requested in the RFP. If the specifications are rigorous and technical in nature, it is Town policy to subcontract the RFP development to a third party firm that specializes in preparing such documentation.
4. The final draft of the RFP document shall be approved by the Town Attorney and the General Services Director prior to distribution.
5. Distribution of the RFP shall be handled in the same manner as a competitive bid, with the Purchasing Department advertising the RFP, distributing the RFP packages, receiving the responses, tabulating the companies that provide a proposal, and awarding the RFP.
6. The initiating department shall be responsible for the review of the proposals and the recommendation of an award.

The use of the RFP process may be combined with the competitive bid or quote process if the total transaction involves a hybrid of professional services and other services or professional services and the acquisition of goods. If the primary or predominant part of the transaction is the professional service, the use of the competitive bid or quote process may not be required. Purchasing will make the final determination in conjunction with the Town Attorney's office as to the need for an additional process.

PROCEDURE:

<p><i>Action Steps:</i></p>
<ol style="list-style-type: none"> 1. Recognize the need for a budgeted professional service that is not under Town Contract. 2. Contacts the General Service Director to review the need and confirm the service is an exempt professional service. 3. Request Town Board Authorization to advertise for the Request for Proposal. (if required) 4. Provide specifications for service requested. 5. Review responses and recommend an award. 6. Request Town Board Authorization to award the RFP.
<ol style="list-style-type: none"> 1. Review the professional service with the department head, and department attorney liaison to determine if an RFP will be necessary. 2. If an RFP is necessary, forward the RFP format documents to the department head to begin the development of the RFP. 3. Administer the advertisement, distribution and response collection of the final RFP document. 4. Facilitate the award of the RFP to the selected vendor.
<ol style="list-style-type: none"> 1. The Town Attorney will provide guidance to the Department Head related to the RFP process and the end results. 2. Whether subcontracted or completed by the Department, the Town Attorney will review the RFP document to ensure appropriate wording to meet Town legal requirements and appropriate risk management for the Town. 3. A contractual agreement must be created and signed by both the Town and the Service Provider. This agreement confirms the terms and conditions of the service. 4. The agreement may be initiated by the Department Head or the service provider, then forwarded to the Town Attorney for review.

CREATING AND RECEIPTING AGAINST AN OPEN PURCHASE ORDER

POLICY:

Open purchase orders are intended for repetitive low dollar purchases. They are intended to be used for vendors with whom the Town has accounts. They are not intended to reimburse Town Employees who have acquired and paid for goods and services using their personal credit cards or cash. See Time and Expense Policies and Procedures for this type of reimbursement. To qualify for an Open Purchase Order, purchases must be low dollars per unit and in total. Each requisition and invoice is not to exceed \$200 and larger dollar purchases may not be divided into \$200 increments to fall below the \$200 limit. Department Heads have the authority to acquire miscellaneous items and services, but all appropriations must be budgeted, and if not must have prior approval from the Comptroller regardless of dollar limitations.

Procedures

1. A Town Employee identifies the need for miscellaneous items or service and notifies Department Head.
2. The Department Head confirms the availability of budgeted funds for the item and/or service and the need. If budgeted funds are available and item and/or service is repetitively purchased and under \$200, the Department Head authorizes designated employee to obtain the item and/or service from an agreed upon, pre-approved vendor with which the Town has an account. In anticipation of purchases with these approved vendors, the Department Head or designated Department Employee will create an Open Purchase Requisition for the vendor, with a single line item for \$1.00, using the TOG:PO/ Requisition Entry Screen, Attachment 1. In the "Vendor ID." Field, the Department Head or designee selects the vendor's ID. If the Vendor ID is not on file, the department is to contact Purchasing. A general description is written in the first line of the requisition, with \$1.00 for the unit price, 1 for the qty, and \$1.00 for the line amount. The Appropriation-Fund code is written in the "G/L Account" field.
3. Obtains authorization to obtain the item and/or service from the Department Head.

4. Obtains the item and/or service from the pre-authorized vendor and a detailed invoice defining the specific item and/or service performed. The receiving employee is required to show official Town identification card to the pre-authorized vendor. The receiving employee should verify the accuracy of the invoice and resolve any discrepancies prior submitting for payment, then forward the invoice to the Department Head.

The Department Head or designated employee within the department receives invoices from the Town Employee and, using the TOG:PO/ Requisition Entry Screen, updates the previously created Open Purchase Requisition (PR) to cover the invoices accumulated from the vendor for each two-week time period (or shorter if no additional invoices are anticipated from the vendor during the period). In the "Vendor ID." Field, the Department Head or designee selects the vendor's ID. If the Vendor ID is not on file, the department is to contact Purchasing. The requisition is then updated with the invoice information. Replacing the single line entered earlier, each invoice becomes a line item on the requisition. The invoice number is written in the "Item #" field of the TOG:PO/Requisition Entry Screen, the description for items and services covered by the invoice is written in the "Item Description" line. When the PR is complete and checked for accuracy, the Department must change the "Order Date" field ID to the *current date* and save the PR. The Department then forwards the invoices and the PR to Purchasing.

5. Purchasing receives the invoices and PR from the Department Head. If the total value of the requisition is less than \$200, the Purchasing Agent posts the Purchase Order (PO). *If the value of the requisition exceeds \$ 200, the Purchasing Agent must wait for Deputy Comptroller or Comptroller approval written for that specific purchase requisition on the "Unapproved Requisitions in Excess of \$200" report before posting the Purchase Order.*

6. Once the Purchase Order is posted, the Purchasing Agent posts a receipt in Great Plains for the value of each invoice against the corresponding line item on the Purchase Order. The Purchasing Agent then verifies that all line items are received and that the PO is complete. At that point the Purchasing Agent sends a hard copy of the PO and the invoice(s) to the Comptroller's office for vouchering in Accounts Payable.

7. The Deputy Comptroller or Comptroller runs the "Unapproved Requisitions in Excess of \$200" report and reviews for items not in compliance with authorization levels, available budgeted funds, normal requirements, or coding norms. If any of these conditions exist, the Deputy Comptroller or Comptroller contacts the manager of the Department to discuss resolution. Once resolved the Deputy

Comptroller or Comptroller signs the requisition and notes any changes directly on the report. The documented report is then sent to Purchasing, authorizing requisition adjustments and Purchase Order Posting.

EMERGENCY PURCHASES:

POLICY:

All purchases of goods and services should be completed using an approved Purchase Order. However there are times when this is not possible due to an emergency.

Emergency requisitions are to be used to acquire parts for repairs or for services when there is an emergency need which would have a direct impact on the life, health and public safety to the general public as defined in General Municipal Law § 103(4). Once a situation has been identified as an emergency, parts for repairs and services can be acquired without going through normal procurement approvals and procedures. As soon as practical after the situation has been resolved, a requisitions or requisitions shall be entered into the Great Plains system for all emergency purchases made. The requisitions will be reviewed and approved as necessary and the Purchase Orders returned to the department. All invoices must be approved by the department manager and marked in red ink as an "emergency". The Town Board Resolution declaring the Emergency shall be attached to all emergency invoices. Emergency appropriations may be unbudgeted, or in excess of budgeted funds.

Procedures:

1. Department declares an Emergency Situation per GML 103(4)
2. Purchases of goods and services are made to resolve the emergency situation.
3. As soon as practical after the situation has been resolved, requisitions for the purchases of said goods and services are entered into the Great Plains system.

4. Requisitions are reviewed and approved and Purchase Orders are sent to the Department.
5. All related invoices are approved by the Department Head and marked in Red Ink with “Emergency”. The Emergency Town Board Resolution shall be attached to the emergency invoices. Any differences between the original requisition and the invoice such as amounts, fund numbers, quantities are updated in the Great Plains system by the **initiating** department and sent to Purchasing for processing.

Straight Claims vs. Requisitions and Purchase Orders

POLICY:

Straight claims are forms that are submitted with vendor invoices to request payment under particular procurements. Use of a Straight Claim form does not require purchase orders. In most cases the use of a Straight Claim form does require a current, signed contract awarded from the Town of Colonie to the vendor. As with all purchases, all appropriations must be budgeted and if not must have prior approval from the Comptroller regardless of dollar limitations.

Procedure

Straight Claim forms are to be used for invoices for the following procurements:

1. Utility Payments – National Grid, Electric Supply, Natural Gas Supply, Water and Sewer payment, telephone including cell phone invoices.
2. Tax Bill Payments
3. Public Works projects where an engineering firm is managing the project.
4. Professional Service payment such as Attorney, engineer, Auditor.
5. Monthly Equipment Rental payment.
6. Subscriptions and membership payment and renewals
7. Postage expenses
8. Grant Payment to outside entities and reimbursement of clients
9. Annual Assessments/fees from Federal, State, County or other government agencies.

Straight Claims shall not be used for the following and the normal Purchasing System shall be used:

1. Any invoice to be processed where a requisitions has already been opened in the Great Plains system.
2. Public Works projects bid by the Town Purchasing Department and managed by Town personnel.
3. Purchases made through State Contracts, Cooperative Contracts, and purchases made as the result of Bids and quotes.
4. Legal notice publications.
5. Routine services such as industrial gases, fuel, road salt, cleaning supplies, etc.

Claim forms are processed directly through the Comptroller's Office and do not need Purchasing review. When practical the claimant certifications should be completed before the form is delivered to the Comptroller's Office.

Disposal of Town Surplus Property

POLICY:

The policy to dispose of surplus property shall meet the following criteria:

1. The items will be disposed of in the most cost effective and environmentally responsible manner possible.
2. Every effort shall be made to get the best return to the Town on any property to be disposed of that may have significant residual value.
3. Items to be declared surplus by the Town Board include those items with a value of \$1,000 or more. These items will generally be auctioned off to the public to obtain the best value for the Town.
4. Items considered to have a value of under \$1,000 will be disposed of in a manor determined by the General Services Director.

PROCEDURE:

1. The Department is responsible for determining that an item is surplus and no longer needed by the department.

2. For items on the Department Fixed Asset Report, please contact the Town Comptroller Department to determine remaining book value. See Attached Fixed Asset Disposition form.
3. If the item is a motor vehicle or a large piece of equipment please notify the Fleet Maintenance Supervisor of the fact this item is now surplus.
4. The Fleet Maintenance Supervisor will review the maintenance records for this item and determine if it is suitable to be offered to another department that may have a need for the item.
5. If the item is deemed not needed by another department, or not suitable for the Town to keep, Fleet Maintenance will work with General Services on the appropriate disposal method.
6. If the surplus item is office equipment, furniture, or other similar items, please notify the General Services Director that you have surplus items. Information needed about the items includes the item description, age, working condition, any value estimate, and your recommendation as to disposition.

DISPOSAL PROCESS:

Public Auction: The items that have a value of over \$1,000 will generally be auctioned to the public. This auction shall be administered by the General Services Department in cooperation with Fleet Maintenance for vehicles and equipment. All items to be auctioned shall be submitted for approval to the Town Board prior to the beginning date of the auction.

Open Competitive Bid: Some items might be best disposed of through the formal open competitive bid process. For these items all normal bid processes will be followed.

Donation: Donation to another municipality or political subdivision is another option the Town Board may consider.

Sale to another Municipality: Surplus and second-hand items may be sold to other political subdivisions or public benefit corporations within the State.

Disposal: Item valued at less than \$1,000 may be disposed in the most cost effective, environmentally appropriate manner as determined by the General Services Director. The available methods include proper disposal as trash, scrap disposal through the Landfill process, or junked. Any items disposed, scrapped, or junked will be itemized and that list provided to the Town Comptroller's office for

proper record keeping. The manner of disposal shall be indicated for each item. If the item is unique or there is an indication that it would be better disposed through auction or donation, Town Board approval shall be requested to proceed with that disposal method. If the item is valued at \$1,000 or more, but has no useful remaining life, Town Board approval shall be obtained prior to the item's disposal.

Computer Disposal: Any computer items deemed to be surplus and to be disposed must be coordinated through the MIS Department. Special consideration shall be taken to remove any data, software, or propriety information prior to disposal. MIS shall coordinate the actual disposal with General Services.

Town of Colonie Apprenticeship Program Policy

Policy:

In accordance with Town of Colonie Town Board Resolution No. 144 for 2015 of February 26, 2015 and Section 816-b of the New York State Labor Law, contractors and subcontractors of Town construction contracts of \$750,000 or more shall have in place agreements providing appropriate apprenticeship training programs approved by the Commissioner of the Department of Labor for the type and scope of work to be performed before the contracts are let. These agreements shall conform to the procedures and requirements set forth in Section 816-b of the New York State Labor Law. The Apprenticeship policy is administered through the Town Procurement Policy. However the ultimate authority as to compliance with the policy is with the Commissioner of Public Work or his designee and the Town Attorney's Office.

The Apprenticeship policy includes the following provisions and requirements:

- All contractors and their subcontractors on contracts for public works projects of \$750,000 or more must comply with this policy regardless of the subcontractor's actual dollar amount of work provided.
- Any subcontractor used on the project must be to provide a trade or service not provided by the contractors own work force for purposes of this policy and compliance verification.
- Compliance with the policy includes providing proof of compliance for all trades to be employed on the project. Determination of the trades to be included is at the sole discretion of the Commissioner of Public Works or his designee and the Town Attorney's Office.

- For Town bids issued by Town contracted professional firms, proof of compliance with the apprenticeship program policy will be provided to the Town by the professional firm along with any recommendation letters. The Town reserves the right to request additional verification of program compliance as necessary.
- For Bids administered by the Town directly, proof of compliance with the apprenticeship program shall be supplied by the apparent low bidder to the Town Purchasing Department within two (2) business days of the bid tabulation being completed and available to the public. The Town reserves the right to request additional documentation to verify compliance. All requested information must be provided within two (2) business days from the request.
- Failure of the low bidder to provide acceptable documentation within the time frames above will be deemed non-compliance with the program and the Town will move to the next low bidder. That bidder will have two (2) business days to provide acceptable verification.

Acceptable forms of compliance with the apprenticeship program are as follows:

1. Contractor or subcontractor having their own Department of Labor approved program for the trades to be used on the project. Verification of the approved program(s) of the New York State Department of Labor website is acceptable proof of compliance.
2. Contractor or subcontractor who is a direct signatory with a labor union that has a Department of Labor approved program for the trades to be used on the project. Verification of compliance must include the following:
 - a. Letter on company letterhead from Contractor or subcontractor outlining signatory status with a labor union and trades covered by that agreement.
 - b. Documentation from the labor union identified confirming signatory status and access to labor union apprenticeship program.
 - c. Verification from New York State Department of Labor website of an approved program(s) for the labor union.

Any questions regarding this policy or compliance requirements shall be directed in writing to the General Services Director at the following:

Town of Colonie
Purchasing Department
PO Box 508
Newtonville, NY 12128
Or
purchasing@colonie.org

General Information

Purchases of supplies and services involving an estimated overall annual expenditure by the Town of over \$20,000 of like goods or any single public works contracts over \$35,000 will be awarded only after public advertising and solicitation of formal bids, or use of other appropriate means as allowed by law. This includes one-time purchases, a contract or blanket purchases. Excluded from this are professional services, which are secured through a Request for Proposal.

Legal notices are published in the official Town newspapers, informing the public of the products or services being bid, listed on the Town website, as well as being posted online at the Empire State Procurement Group site:

<http://www.empirestatebidsystem.com/>

Where formal bidding procedures are not required by law and/or resolution, pricing will be solicited by the Requesting Department or Purchasing Department pursuant to the procedure set forth in Section 104-b of General Municipal Law and this document.

The only exceptions are for procurement made pursuant to General Municipal Law, Section 103(3) (through County contracts) Section 103(16) (through National Cooperatives) or Section 104-b (through state contracts); State Finance Law, Section 175-b (from agencies for the blind or severely handicapped); Correction Law, Section 186 (articles manufactured in correctional institutions); and approved schedules through the Federal GSA program.

Any request to award a quote or bid to any vendor other than the lowest responsible bidder must include documentation by the requesting department with reasons and justification for the award. The documentation shall be reviewed by the General Services Director in counsel with the Town Attorney's Office prior to any award being made.

In certain situations, solicitation of alternative proposals or quotes is not practical. These may include: emergencies, true leases and sole source situations and combinations of professional services/purchases. In each of these cases, the requesting department, Purchasing, and the Town Attorney's Office shall analyze, justify and clearly document the reasons behind the award. No awards shall be made before contacting the Purchasing Department.

Sole Source & Single Source

A sole source can be a manufacturer, software developer or service provider that sells direct and there are no other sources offering an "or equal". Prior to a vendor being considered a sole source, a letter on the manufacturer's official letterhead must be on file with Purchasing detailing their sole source status.

A single source could be a distributor/wholesaler/retailer that has a contractual agreement for a specific territory to the exclusion of others. Should you have a situation involving a single source supplier, a letter on the manufacturer's letterhead must be on file with Purchasing confirming the single source authorized vendor.

Emergency Purchase

What is considered an emergency? GML 103 (4) defines it as "a public emergency arising out of an accident or other unforeseen occurrence or condition, whereby circumstances affecting public buildings, public property or the life, safety or property of the inhabitants requires immediate action". Lack of anticipation or planning cannot be deemed as a cause for declaring an emergency. A true emergency does not exclude the need for securing competitive pricing, only the formal bidding process. Purchasing should be contacted as soon as the emergency need is identified to secure pricing.

Professional Services

Professional Services are not subject to competitive sealed bidding requirements, but are subject to the guidelines of GML 104-b for competitive pricing to be obtained for these services. (See Purchasing Procedures section)

Purchase Requisition

The Purchase Requisition provides the means of initiating the Purchase Order process for goods and services. The Purchasing Department is designated to review and process requisitioners' requests; it is the individual department heads responsibility to insure that expenditures are within the budgetary appropriations and that the proper department account is charged.

The Comptroller's Office and the Purchasing Department must approve the funding of every requisition prior to it being converted to a Purchase Order. Purchasing approved requisitions up to and including \$200.00. The Comptroller's Office approves all over \$200.00.

Should there be insufficient funds available departments must do a budget transfer and secure all the necessary approvals before the order can be processed.

Preparation:

The requisitioning department will enter the Requisition on the Town Great Plains Purchasing software system.

If the department has a definite reason for ordering from a specific vendor it should be noted in the comments, the Purchasing Department will make the final decision as to price and vendor after reviewing the requisition and consulting with the using department. Adequate documentation shall also be provided with all requisitions, such as any received quotes, references and full descriptions of the items/service being ordered, so that Purchasing may procure the desired items/service in a timely fashion.

Planning

Anticipate your needs! Once you have determined what you need, within the limitations of your budget, contact purchasing to help you develop the

specifications for the quote or bid to get the best value possible for the expenditure of tax dollars.

The key is time; turnaround time is dependent on many factors ranging from the complexity of the specifications, and the need for a pre-bid meeting and addendums to the number of bids and quotes currently in process with Purchasing.

Prepayments

Town of Colonie takes the position that unless absolutely necessary, that prepayments should not be made using Town funds.

Contact the Purchasing Department to assist you in making the purchase.

Purchase Orders

The purchase order provides a formal document authorizing the purchase of goods and services as well as the necessary authority to pay vendor claims and proof of tax-exempt sales. Purchase orders are prepared by the Purchasing Department upon receipt of a **complete** purchase requisition with all the necessary documentation such as contracts, quote, funding, etc.

The Purchasing Department verifies the following before issuing a purchase order:

1. Type of purchase requested
2. Requisitioning department/ship to location
3. Vendor information
4. Contract/Bid/quotation information
5. Comments/special instructions
6. Description of goods and services being ordered
7. Quantity/unit of measure
8. Unit price/extension and total cost
9. Fund Number(s)

The Purchasing Department will confirm the best method of procurement upon receipt of a requisition. If available, a current Town bid, NYS contract or available piggybacking options will be used.

With very few exceptions, a purchase orders must be completed before a purchase is made.

If at any time a department finds they will require a competitive bid for a particular product or service, they should notify the Purchasing Department to allow time for specifications to be developed and the formal bid process to be completed, to meet their anticipated needs.

Open Purchase Orders

An open purchase order is created for products or services that are purchased on an “as needed” basis from a vendor throughout the year where the dollar value will vary for each purchase and an established contract is in place. These are issued monthly as needed and the dollar amounts are limited to \$200.00 per department. The money for an Open Purchase Order is not encumbered until a receipt transaction is entered into the order

Departments are responsible for providing the open purchase order number to the vendor and verify that the number also appears on the documentation sent to Purchasing for payment processing.

Emergency Purchase Order

The Purchasing Department will **not approve** an emergency purchase order when the purchase is not justified, where the purchase is being made to circumvent established procedures, or where there is a lack of proper planning.

Receipt and Payment of Goods and Services

Upon receipt of goods and services, the department confirms quantity or completion of the service. As standard business procedure, all Town vendors are entitled to prompt payment; therefore receipts should be processed on a day-to-day basis.

Delayed Deliveries and Inferior Material Received

Purchasing endeavors to get departments the right material and on time. There will be occasions when inferior goods or services are received or they are not received in a reasonable amount of time. If this should occur you should report the problem

to Purchasing as soon as possible. This can be done via email or phone, remember to include the vendor name, PO Number, the problem you have with the order and what you have done thus far to attempt to correct the situation.

Purchasing will contact the vendor after the receiving department has tried to resolve the issue and try to come to a resolution of the problem; if necessary the Town Attorney's Office will be contacted for assistance.

Department of Labor- Notice to Withhold Payment

On occasion the New York State Department of Labor, Bureau of Public Works upon receiving complaints for non-payment of prevailing wages shall direct the Town to withhold monies due to a vendor. The original notice is forwarded to the Comptroller's Office; a copy is kept in Purchasing and a copy forwarded to the Town Attorney's Office. These monies are held until notification is received from the Department of Labor on how they are to be disbursed.

Competitive Bidding

1. AGGREGATE PURCHASES OF LIKE ITEMS IN A 12 MONTH PERIOD WHICH ARE IN EXCESS OF \$20,000 USED BY THE TOWN
2. PUBLIC WORKS CONTRACTS EXCEEDING \$35,000 EACH

General Municipal Law Sections 103 and 104-b require annual purchase contracts exceeding \$20,000 and public works contracts exceeding \$35,000 be awarded to the lowest responsive/responsible bidder, or bidder offering the "Best Value" bid meeting the intent of the specifications after public advertising requesting submission of sealed bids.

In determining the necessity for competitive bidding, the **aggregate cost** of like items or commodities estimated to be purchased Town wide in a 12- month period are considered. (The 12 months beginning with the date of the first purchase)

The using department(s) in conjunction with the Purchasing Department shall prepare bidding specifications; all bids shall include a non-collusion certification and indemnification agreement and all other documents required by General Municipal Law.

Formal bids/quotes containing a renewal clause shall clearly state the original term and any possible renewals terms if mutually agreeable by the vendor and the Town of Colonie.

The advertisement for bids shall at a minimum contain a description of the goods and/or services being solicited, a statement of the time and place where all bids will be publicly opened and read, the time and place of any pre-bid meetings and a description of where and how bid documents may be obtained. All bid openings will be conducted at a public meeting and all interested parties may attend.

Plan holders lists shall not be released prior to a bid opening as this may adversely affect the bids received and/or encourage collusion. Any requests received by a Town department for this information are to be directed to Purchasing. No exceptions are made to this policy.

After the public opening of a sealed bid a tabulation sheet shall be prepared recording all pricing as submitted by the responding vendors. Purchasing shall review the bid responses and prepare a bid tabulation. This along with the copies of the bid responses and all supporting documentation needed to evaluate the bid responses shall be forwarded to the using department for review and award recommendation. Once the using department and the Purchasing Department are in agreement as to the responsive/responsible or best value vendor, the using department will create a Town Board Agenda Request Form for the Town Board to make the award.

If during the evaluation of the bid results it is determined not to proceed with a bid award, the using department shall prepare a Town Board Agenda Request form to reject all bids. New York State Comptrollers opinion 297 requires an acceptance or rejection of formal sealed bids as they are a legal binding offer and some action must be taken by the authorizing Board

All renewals shall be coordinated through Purchasing and must be submitted to the Town Board for final approval.

Agreements and Contracts for multi-department use are handled by Purchasing and are submitted to the Town Board for approval.

Bid Approval Process

Bids for goods and services will be awarded by Town Board resolution after the following conditions are met:

1. Sufficient appropriations are contained within the departments' current budget (or budget transfer has been completed)
2. The department head or their designated representative and the Purchasing Director have certified in writing that the bids were received and meet the intent of the specifications
3. The award is made to the bidder submitting the lowest responsive and responsible bid per specifications or the bidder offering the "Best Value" bid that meets the bid specifications.
4. The using department shall document the rejection of any low bid deemed non-responsive or non-responsible. The using department shall attach a copy of said documentation to the Town Board Agenda Request Form and a copy shall be supplied to Purchasing. Said documentation shall be included in the bid file.

Conflict of Interest

Any Town employee who has, will have, or acquires an interest in, any actual or proposed contract with the Town of which he/she is an officer or employee, shall publicly disclose the nature and extent of such interest in writing as part of the Town Of Colonie Ethics disclosure as soon as he/she has knowledge of an actual or prospective interest. **If an officer or employee has a reason to believe that he/she may have a conflict of interest, the office of the Town Attorney should be contacted immediately.**

Public Works Contracts

How do you define a "Public Works Contract"? Any time an item or project involves labor or both materials and labor (other than simple delivery of goods) it qualifies, such as contracts for construction, demolition, remodeling, maintenance, painting, paving and repair contracts.

When do I need prevailing wages? Whenever you employ laborers, workmen or mechanics you need to pay prevailing rates according to Article 8 and 9 of the New York State Labor Law, no matter what the dollar amount. Certified payrolls are required before payment is authorized and copies are to be kept on file by the Town Attorney's Office.

Certificates of Insurance

Town of Colonie is “self-insured” and for that reason we maintain evidence of vendor insurance, with ACORD forms on file for vendors who provide services to the Town. Depending on the work performed there are various categories of coverage and dollar levels required.

Before the Town can enter into a contract with a vendor, valid insurance forms must be on file; this includes proof of workers compensation and disability forms as required by New York State Workers Compensation and Disability Laws.

Standardization

General Municipal Law Section 103 makes it possible for the Town to standardize on a particular type of material or equipment. A resolution approved by at least three-fifths majority of the Town Board, shall state that for reasons of efficiency or economy there is a need for standardization.

The resolution shall contain a full explanation supporting such action.

The adoption of such a resolution does not eliminate the necessity for conformance to the competitive bidding requirements. Standardization, restricts the purchase to a specific model or type of equipment or supply, but does not limit the vendors it can be purchased from.

Standardization should be used very sparingly and only after careful consideration of the ramifications to future purchases and maintenance costs as this tends to reduce or in some cases eliminate completely competition thus costing the Town more than it may save by standardizing.

Fixed Asset Management System

The purpose of the fixed asset management system is to establish proper procedures for monitoring the movement of fixed assets to maintain accurate reporting of asset values as required by NYS Audit and Control.

General Town Property

The Town Board gives the Purchasing Director the responsibility not only to purchase, but also to dispose of and/or transfer supplies, materials and equipment.

Each department head has the ultimate responsibility to conduct and maintain the individual inventory pertaining to that department. It is also the responsibility of the department head to evaluate on a continuing basis the suitability and need for materials, supplies and equipment. If they should become obsolete by reason of age, wear or technical advancement or should become surplus, unnecessary for the operation of his/her department, the department should follow the process outlined in the Disposal of Surplus policy. Purchasing will evaluate the request and determine if the item will be sold, put up for claim by a Town department or trashed.

Fixed Assets

Fixed assets are defined as those properties the Town of Colonie retains more or less permanently, not for sale, but for utilization in the normal course of operations

Fixed assets will always imply tangible fixed assets, the general accepted practice, as in Town of Colonie, is to record a report fixed assets at their historical acquisition cost. The cost of a fixed asset should include all expenses of transporting the asset to the proper location and placing it in the condition necessary for its intended use. Only items costing five thousand dollars (\$5,000.00) or more will be inventoried. This limit has been established as assets under five thousand dollars cost, due to time, effort and paperwork cost involved, do not warrant being inventoried. This will be Town policy and all items under the five thousand dollar cost shall be considered supplies and inventory control managed within the department.

The Comptroller's Office staff will conduct periodic fixed asset exams as they see fit to assure Town departments are properly tracking Town assets and are prepared for New York State Auditors'.

Receiving

The majority of purchase orders are for delivery to the requisitioning department.

Upon receipt of an asset valued over \$5,000, Purchasing will complete the Fixed Asset Card for the new asset as part of the invoice receipting process.

The only exception to this procedure will be for computer equipment that will be maintained and tagged by the Management Information Services Department. MIS will record transfers of equipment and obsolete computer equipment shall be disposed of upon approval by the MIS Director using the Town's Surplus Disposal Policy. MIS will track all computer related items regardless of dollar value and maintain a database for all items including those awaiting assignment and disposal.

Disposal of large equipment and vehicles shall be done by way of on-line auction or open competitive bid depending on the condition and remaining value of the asset.