

Village of Bronxville

Purchase Policy Guidelines

OBJECTIVES

The objectives of the Village of Bronxville's Purchase Policy Guidelines are as follows:

1. To exercise timely and effective budgetary control, to prevent unauthorized purchases, and to properly plan and coordinate procurement of goods and services at the lowest cost.
2. To comply with applicable purchasing and procurement laws, regulations and guidelines of the State of New York.
3. To ensure that the purchases of all goods and services are properly authorized and documented for independent review and verification.

DOES THE PURCHASE REQUIRE A PUBLIC BID?

First, determine whether the acquisition is a purchase contract or public works or service contract. Next, will the reasonably expected total aggregate amount of the purchase cause the purchase to be subject to competitive bidding under Section 103 of the NYS General Municipal Law (GML 103)?

The following items are not subject to competitive bidding under GML 103:

1. Purchase contracts under \$20,000, or as may be further amended by GML 103;
2. public works contracts under \$35,000 (state law changed by Chapter 494 of 2009), or as may be further amended by GML 103;
3. emergency purchases;
4. certain municipal hospital purchases;
5. goods purchased from agencies for the blind or severely handicapped;
6. goods purchased from correctional institutions;
7. purchases under New York State and Westchester County contracts;
8. purchases under contracts from other political subdivisions within the US, if such contract was let in a matter that constituted public bidding and made available for use by other government entities;
9. and surplus and second-hand purchases from another governmental entity unless the purchase exceeds \$20,000, in which case it is subject to public bid and advertised as such.

The decision that a purchase is not subject to competitive bidding will be documented in writing by the department head making the purchase. This documentation may include written quotes from vendors, a memo from the department head explaining the decision, a copy of the contract indicating the source which makes the service exempt, a memo from the department head detailing the circumstances which led to an emergency purchase, or any other written documentation that is appropriate.

Who can authorize a purchase?

The authority and responsibility to make appropriate purchases and to obtain necessary services on behalf of the Village rests with the respective Village Department Heads. Department Heads are responsible for ensuring that all purchases are in compliance with the Village's Purchase Policy Guidelines, are within the budgetary control authorizations established by the Board of Trustees, and are properly documented. To prevent unauthorized purchases, each department head, where applicable, is required to designate one or two employees to purchase all materials for each department. Please provide the Treasurer's office with the name of the employee (s) ordering for the department. No one shall order a "store" credit card except as approved by the Village Administrator.

All purchases of goods and services in excess of \$5,000 require the prior approval of the Village Administrator.

The Village will not be liable for any purchases made without appropriate authorizations.

REQUIREMENTS TO ISSUE A PURCHASE ORDER

The Village's purchase order policy applies to the purchase of all goods and services of \$1,000 or more.

Purchases of less than \$1,000 can be processed directly under the Village's claim process, unless the vendor requests a purchase order. Purchases cannot be split to circumvent the required issuance of a purchase order.

Department Heads should consider the annual aggregate purchases of similar types of items and/or services as the guide for ensuring compliance with the requirement to issue a purchase order. This may require considering the issuance of a "blanket purchase order" as described in a section below.

The following types of purchases are exempt from the purchase order requirements:

1. Employee personal services paid on a payroll.
2. Employee benefits required by law or authorized by a collective bargaining agreement or employment contract, as well as medical examination fees.

3. Employee expenses, such as conference expenses, mileage and other reimbursable expenses occurred in the performance of day-to-day duties.
4. Reasonable costs for prisoner meals.
5. Utility bills (Con Edison, New York Power Authority, monthly telephone charges).
6. Fuel and heating oil purchased under state contract and subject to a set delivery schedule.
7. Postage and freight charges.
8. Reimbursement of petty cash funds. Payments to employees from the petty cash fund shall be limited to \$25.00. Any employee reimbursements in excess of \$25.00 shall be paid on a claim voucher.
9. Interdepartmental charges, such as rental charges included in the budget.
10. Debt service principal and interest payments.
11. Service contracts for legal services authorized by the Village Manager.
12. Fire, ambulance and paramedic contracts, provided that the budgetary accounts are used exclusively for such contract payments.
13. Recurring monthly equipment lease and rental charges, and annual service maintenance agreements. However, the initial acquisition of the equipment is subject to issuance of a purchase order.
14. Emergency or urgent purchases for which it is not possible to issue a purchase order beforehand. Under such circumstances, purchase orders should be issued after the fact with an explanation attached.

Although purchase orders may not be required in these instances, it is still the responsibility of the Department Head to ensure that only those purchases of goods and services necessary to carry out the mission and functions of the Village are made, and that the best possible price is obtained.

Additionally, all purchases of goods and services in excess of \$5,000 require prior approval of the Village Administrator.

BLANKET PURCHASE ORDERS

Blanket purchase orders may be prepared by the Department Head. The purpose of a blanket purchase order is to eliminate the issuance of separate purchase orders for groups of items, which are purchased frequently from the same vendor (examples: automotive supplies, hardware supplies). Use of blanket purchase orders allows the department to purchase such items on an as-needed basis when there is no provision to maintain an inventory.

VERBAL ORDERS

A verbal order, subject to confirmation by a written purchase order, may be given directly to a vendor in cases where necessity for immediate action exists. Such deviation from the normal process should be limited in use. The Department Head placing such order shall explain the need for his/her action; lack of proper planning shall not be considered a valid reason for this purpose. A written confirmation purchase order should be issued as soon as possible, and should be clearly marked "confirmation".

PURCHASE ORDER DOCUMENT

All purchase orders must contain, at a minimum, the following information: vendor name and address, vendor number, date of order, detailed description, number units ordered (if applicable), prices, budgetary appropriation code, and authorized signature(s). Required price quote documentation or state contract information, if any, must be attached to the purchase order. The completed purchase order package, including budget modification request (if needed), shall be submitted to the Finance Department for review and approval. If the purchase order package is in compliance with the Village's Purchase Policy Guidelines, the Treasurer shall approve a purchase order number. Under certain circumstances, the Finance Department may assign a purchase order number over the phone in advance of receipt of the purchase order documents. Department Heads are responsible for ensuring that the supporting purchase order documentation is subsequently provided in a timely manner.

One copy of a completed purchase order shall be returned to the Department Head for release to the vendor. One copy of the completed, signed purchase order shall be returned to the Department Head for his/her files. Another copy of the completed purchase order, along with supporting documentation, shall be retained by the Finance Department. The Finance Department shall encumber the amount of the purchase order on the accounting records. If there is a cancellation or change in the purchase order, the Department Head should notify the Finance Department of these changes. Prior to the close of the fiscal year, Department Heads shall review and verify the status of all outstanding purchase orders issued so that the encumbered funds may be carried over to the next fiscal year.

COMPLETION AND AUDIT OF CLAIMS

Upon receipt of the purchased item or completion of the purchased service, as applicable, a completed and approved claim form with attached invoice shall be submitted to the Finance Department for payment.

A claim shall be considered complete when the following conditions are met:

1. The claim shall be itemized in sufficient detail to permit a proper audit. The claim form prescribed by the Treasurer shall be used. The claim form shall contain the vendor name and number, remittance

- address, invoice date, invoice number, short description of purchase,¹ and budget appropriation code.
2. An original vendor invoice shall be attached to the claim voucher. Additionally, signed receiving copies should be attached, where applicable.
 3. The assigned purchase order number, if any, shall be written on the claim form in the upper right corner, and circled in red flair pen.
 4. Any claim for employee reimbursement (e.g., mileage reimbursement, uniform/boot allowance, tuition reimbursement, conference/training reimbursement, vision allowance), or any claim from an individual without an invoice (e.g., election worker or handyman) shall be signed by the individual claimant (vendor) on the certification line.
 5. No invoices are to be paid until the goods or services have been received, unless a duly authorized contract calls for a pre-payment.
 6. All invoices for goods shipped require a packing slip with the invoice submitted for payment. Without a packing slip, a proof of delivery is required. Without a proof of delivery or packing slip, the invoice will not be paid.
 7. The Department Head shall approve all claims with his/her original signature certifying that the goods/services purchased were received/provided and that the amounts charged are correct.²

PROCUREMENTS REQUIRING PRICE QUOTES

For goods and services, which are not subject to competitive bidding or purchased under state or county contract, the following methods of purchase will be used to assure the prudent and economical use of Village funds:

Estimated Annual Purchase
Contract Amount

Price Quote Requirement

¹ Vendor product trade names shall not be used; generic product descriptions are to be reported.

² Department Heads may delegate signature authority to a departmental staff person. Any delegation of signing authority should be on a temporary basis (e.g., vacation or sick). This person should sign his/her name noting that it is “for” and the Department Head’s name (i.e., John Smith for Jane Jones). Any delegation of signing authority to a subordinate should be communicated to the Finance Department in writing.

\$1,000 - \$2,999	2 written/fax quotations
\$3,000 - \$19,999	3 written/fax quotations or request for proposals (RFPs)
\$20,000 and above	Subject to publicly advertised bid or request for proposals (RFPs). Must be circulated to at least three companies. Contract must be approved by Mayor and Board of Trustees. A contract or purchase order must be signed by the Village Manager after BOT approval, prior to order being made.

Estimated Annual Public Works
Contract Amount

Price Quote Requirement

\$1,000 - \$4,999	2 written/fax quotations
\$5,000 - \$34,999	3 written/fax quotations or request for proposals (RFPs)
\$35,000 or more see above \$20,000 or more.	

The Village policy requires that a good faith effort shall be made in all instances to obtain the required number of proposals or quotations. If the required number and/or form of quotations cannot be obtained, a written explanation from the Department Head documenting the attempts made is then required.

As with competitive bids, documentation and an explanation is further required whenever a contract is awarded to other than the lowest responsible price quote. This documentation will include an explanation of how the award will achieve savings or how the rejected bidder was not responsible. With the advice and approval of the Village Administrator, the Department Head shall make a determination that the bidder is not responsible.

EXCEPTIONS TO THE PROCUREMENT REQUIREMENTS

1. PURCHASES MADE UNDER EMERGENCY CONDITIONS

In the case of emergencies, as defined below, compliance with the competitive bidding statutes and procurement policy (price quotes) may be waived under certain circumstances. However, an attempt should be made to comply with the purchase order policy, acknowledging that the documentation may have to be prepared after the fact.

As provided by the General Municipal Law, all three of the following criteria must be met in order to qualify as an emergency:

- The situation must arise out of an accident or unforeseen occurrence or condition; and
- The circumstances must affect public buildings or property or the life, health and safety or property of Village residents, employers, employees and visitors; and,
- The situation must require immediate action which cannot await competitive bidding or obtaining price quotes.

To meet these criteria, there generally must be a present, immediate and existing condition which is creating an imminent danger to public or private property, or the life, health and safety of the residents, employees of Village businesses, and/or visitors in the Village, and which makes further delay to comply with competitive bidding and procurement requirements unwarranted. Generally, only the Village Administrator, Mayor, or Chief of Police (or their designees), in this order, shall determine if an emergency situation exists which precludes compliance with the competitive bidding and procurement requirements.

Note that, even in an emergency situation, it is in the public interest that purchases are made at the lowest possible cost. Thus, Village officials and Department Heads should seek competition by informal solicitation of quotes, to the extent practicable under the circumstances.

2. PURCHASES MADE UNDER STATE AND/OR COUNTY CONTRACT

Competitive bidding is not required for purchases made through New York State's Office of General Services contract program. This program affords the opportunity for the Village to purchase numerous items at the same prices and under the same terms and conditions as the State. This exemption is further extended to purchases made under county contracts. In both cases, it is critical to ensure that the vendor is currently listed with the State or county and that the contract terms are extended to the Village. Even if a price can be obtained that is at or below the State or county specified contract price, this does not preclude compliance with the Village's Purchase Policy Guidelines.

3. PURCHASES OF PROFESSIONAL AND LEGAL SERVICES

The procurement of professional services, as defined below, are not subject to the competitive bidding requirements as it is not considered as a "purchase contract" or "contract for public work." Professional services involve a specialized skill, training and expertise, use of professional judgment or discretion, and/or a high degree of creativity. Some services exempt from competitive bidding under this exception include: engineering, architectural, land surveying, insurance, legal, accounting and medical. As with any Village purchase, cost should also be considered in selecting the best provider of the service.

4. SOLE SOURCE PURCHASES

Sole source procurements are exempt from the competitive bidding process in certain circumstances when there is no other substantial equivalent source for the required good or service. In other words, a Department Head, acting in good faith and without intent to arbitrarily inhibit or restrict competition, may determine that a particular item is required and that such item is available only from one supplier. Department Heads shall seek the advice and approval of the Village Manager when making a sole source purchase.

Pursuant to GML Section 104 b (2)(f), the procurement policy may contain circumstances when, or types of procurements for which, in the sole discretion of the governing body, the alternative proposals or quotations will not be in the best interests of the Village of Bronxville to solicit quotations or document the basis for not accepting the lowest bid:

5. PROFESSIONAL SERVICES OR SERVICES REQUIRING SPECIAL OR TECHNICAL SKILL, TRAINING OR EXPERTISE.

The entity must be chosen based on qualifications showing accountability, reliability, responsibility, skill, and training, judgment, integrity and moral worth. These qualifications are not necessarily found in the entity that offers the lowest price and the nature of these services are such that they do not readily lend themselves to competitive procurement procedures.

- a. In determining whether a service fits into this category, the Board of Trustees shall take into consideration the following guidelines: (1) whether the services are subject to State licensing or testing requirements; (2) whether substantial formal education or training is a necessary prerequisite to the performance of the services; and (3) whether the services require a personal relationship between the individual and municipal officials.
- b. Professional or technical services shall include by not be limited to the following: services of an attorney, physician, engineer engaged to prepared plans, maps and estimates, securing insurance coverage and/or services of an insurance broker; services of a certified public accountant, investment management services, printing services involving extensive writing, editing or art work, management of municipally owned property, and/or computer software or programming services for customized programs or services in substantial modification and customizing of pre-packaged software.

CREDIT CARD PURCHASES

The procurement policy adopted by the BOT in 2014 did not address credit card policies. The Village of Bronxville has an AMEX card with three signers, the Mayor, Chief of Police, and the Library Director. These cards are generally used by department heads to purchase items online where such purchases are either cost effective or expeditious.

1. All purchases must be made in accordance with the Village's procurement policy.
2. No purchase of personal items is permitted.
3. No person shall apply for a "store" online account except as approved by the Village Administrator at the request of a department head.
4. Authorized department heads responsible for the use of Village credit card purchases will accept responsibility that purchases are made in accordance with the Village of Bronxville procurement policies and procedures.
5. The Village Administrator, for the purpose of facilitating department purchases, may authorize certain employees to be issued credit cards, under a Village master credit card account.
6. No additional bank or credit card lines or accounts may be established without authorization by the Village Administrator.
7. All documentation submitted for monthly credit card payment must include department head approval, a packing slip or proof of delivery, and quotes from other vendors where required by Village procurement policies.
8. Vendors paid by credit card purchases must be included in the Village's vendor master file. If a vendor is not included in the Village's vendor master file, department heads are responsible for providing relevant vendor information to the Treasurer's office. This information includes vendor name, address, and copy of W-9 form.
9. No credit card payments can be made to LLCs, individuals and or partnerships.
10. No departmental credit card purchases can exceed \$500 per month unless specifically approved by the Village Administrator prior to the purchase. A copy of written approval must be submitted with purchase document support.

GREEN NY PROCUREMENT POLICY

When procuring a commodity or service, whether by competitive bid or other type of procurement, that is the subject of a GreenNY procurement specification that has received final approval of the NYS GreenNY Council pursuant to Executive Order No. 22 (2022), **the [municipal purchasing officer] shall follow the GreenNY procurement specification to the extent practicable and where cost is reasonably competitive as defined in General Municipal Law § 104-a.** GreenNY approved procurement specifications can be found online at: <https://ogs.ny.gov/greenny/approved-greenny-specifications>