

TOWN OF HOLDEN PURCHASING POLICY

This Policy governs the purchase of all goods and services made by the Town of Holden.

Section 1: Purpose

A. It is the objective of the Town to obtain the best value for all goods and services made by the Town of Holden. Best value is determined by many factors. For goods it includes such items as initial price, future operation and maintenance costs, ease of maintenance, and trade-in or salvage value. For services it includes past performance and experience, personnel and equipment resources, financial stability and price.

B. The procurement of goods and services on a competitive basis is desirable to the extent possible when other elements are equal and price is the major determining factor. All employees authorized to make purchases are expected to minimize expenditures without unduly sacrificing quality or efficiency.

Section 2: Procurement Procedures

A. Authorization:

1. For purchases less than \$1000.00 in value, authorized personnel may proceed without prior approval of the Town Manager. Efforts should be made to obtain more than one quotation. Authorized personnel are Department Heads and their designated employees and Financial Officer.

2. For purchases between \$1000.00 and \$5000.00 in value, authorized personnel must obtain at least two documented quotations (preferably written) and must submit the quotation to the Town Manager for review and approval. Documented quotes are to be saved for a minimum of one year.

3. For purchases in excess of \$5000.00 the Town Manager will determine the appropriate method of procurement. After the required quote, bid or proposal is received the Town Manager will present to the Town Council for approval.

B. Documentation:

1. All personnel picking up supplies or materials and/or accepting/receiving property must sign an invoice/sales slip and turn into their Department Head or Supervisor immediately.

2. The Department Head or Supervisor will annotate the document with the appropriate cost accounting code, initial and forward to the Town Manager within five (5) workdays. The Town Manager will review, initial and forward to the Finance Officer for payment.

C. Credit Card Purchases:

1. For all credit card purchases a copy of the sales slip must be signed and a copy provided to the Department Head or Supervisor.
2. The Department Head or Supervisor will follow the same procedures as outlined in Section II, B, 2.
3. No personal items may be charged to a Town Credit Card with the exception of meals (travel expenses) during periods of approved travel.
4. Credit Card slips will be checked against statements received from the credit card companies to insure compliance.

Section 3: Emergency Purchases

It is the intention of this policy that all purchases over \$1000.00 receive prior approval by the Town Manager. It is recognized; however, that under certain emergency circumstances this may not be possible.

In cases where authorize personnel determine that the health or safety of the public is in jeopardy, emergency purchases of up to \$2000.00 may be made without prior approval of the Town Manager.

However, every attempt should be made to contact the Town Manager, or failing this, the Financial Officer, to obtain verbal approval before a purchase is made. Purchases made without prior approval must be well documented.

In the event an emergency purchase is made without prior approval of the Town Manager or Financial Officer the individual authorizing the purchase must report the expense as soon as possible to one of the above individuals.

Section 4: Preferential Treatment

Local businesses, defined as vendors who keep their principal business place within the Town of Holden, may be given a 2% preference by the Town Council.

Once the 2% preference is applied and the local vendor now becomes the low bidder they will be afforded the opportunity to accept the bid at the reduced price. If the local vendor does not want to accept the adjusted price then the 2% discount is not considered and the bids will be considered on an as is basis.

Section 5: Effective Date

This Purchasing Policy shall take effect on the date enacted.

Signed September 21, 2016 by the Town Council

David R. Black
David R. Black, Council Chair

Thomas Copeland
Thomas Copeland, Council Vice-Chair

Paul Amoroso
Paul Amoroso, Councilor

Ralph McLeod
Ralph McLeod, Councilor

Robert Harvey
Robert Harvey, Councilor

Approved by the Holden Town Council on: September 21, 2016.

Attested By: Wanda Libbey
Wanda Libbey
Holden Town Clerk