

**Town of Cortlandt  
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**PURCHASING/CENTRAL SUPPLIES  
POLICY AND PROCEDURE  
MANUAL**

*Revised 12/31/2012*

# **PROCEDURES MANUAL**

## **Section I – Purchasing Procedures Section II – Central Supplies Office Procedures**

### **INTRODUCTION**

**This manual has been prepared and is presented here as a working document; a tool to be used to assist you with your purchasing requirements. While this document has been prepared by, and describes the procedures of the Purchasing and Central Supplies Offices, it should be stressed that this manual is NOT about either department, but IS about purchasing; how you should go about the business of securing the necessary goods and services that you need for the effective operations of your areas of responsibility. It is suggested that you read this document closely, ask any questions that you feel necessary to increase your understanding of the purchasing process, and refer to it as frequently as you need to in the course of carrying out your daily responsibilities.**

**This manual is intended to both establish and familiarize you with the standards and procedures of the Purchasing Department and Central Supplies Office. Cooperatively, we can provide you with quick, efficient and reliable service.**

**As always, the staff of the Purchasing Department and Central Supplies Office are available and stand ready to assist you in any way possible.**

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# **TOWN OF CORTLANDT PURCHASING POLICIES AND PROCEDURE MODEL**

## **I. Purpose**

The purpose of this manual is to set forth the policies, principals and practices of the Town of Cortlandt, with regard to Purchasing and to define its responsibilities. Departments can also purchase items from the Central Supplies Office that operates under the jurisdiction of the Purchasing Department. All Central Supplies Office procedures are outlined in Section II.

## **II. Scope**

These policies and practices apply to all Departments and Agencies of the Town of Cortlandt

## **III. Purchasing Policy – General**

### **A. Responsibility for Purchasing**

1. The responsibility for purchasing of commodities in the Town of Cortlandt has been delegated to the Purchasing Department and the following names & Titles.

Director of Purchasing - Peter H. McMillan

Purchase Clerk – Chris Dakin

Additional staff may be directed under appropriate circumstances by the Director of Purchasing

2. Certain purchasing functions (such as solicitation of information regarding product specifications), may be obtained from the requesting Department Head. This will not relieve Purchasing of its primary responsibility.
3. Material Orders are not to be placed directly with Vendors by operating departments without first having submitted Requests to Purchase form (unless previously authorized by the people listed above and verifying availability of funds). Approval must be in the form of a purchase order, contract or agreements.
4. It is the responsibility of the Comptroller's Office to make the Purchasing Director aware of any violations of the procedures enumerated above.

The Purchasing Department tries to make available information of interest to the various Departments. On many occasions a using department will acquire

information or knowledge that will be of general interest to other departments. On such occasions it will be appreciated if this information is passed on to the Purchasing Department. The Purchasing Department will then be able to act on it for the general benefit of the Town operation and be in a position to disseminate this information to the various Town departments. While the Purchasing Department does endeavor to keep abreast of new developments and conditions in the market place, on many occasions personnel in the using departments will receive information not readily available to the Purchasing Department. It would be considered of tremendous assistance if this information were shared with the Purchasing Department.

Occasionally, an item or service of a very special value will be brought to the attention of the department by suppliers of some agencies of government. On such occasions, quick checks will be made with departments that might be interested in such purchases. The cooperation of the departments in making prompt decisions and perhaps altering slightly their requirements in the products or services which they need will enable the Town to incur substantial monetary savings for the departments.

The operation of the Purchasing Department is regulated by various Federal, State and Town laws and regulations. It is always the intention to comply with both the letter and the spirit of these laws in the conduct of the purchasing functions and whenever possible, to simplify, clarify and modernize the laws governing purchasing.

## **PURPOSE OF A PURCHASE REQUISITION**

When goods and supplies are needed by a department, a requisition is not only the first step in the procurement process but it's a requirement of Town Law. The purpose of a requisition is to give the Purchasing Department proper notification and authorization to secure necessary goods and supplies in accordance with both your needs and established purchasing procedures.

## **WHEN TO REQUISITION**

You should always anticipate, as soon as possible, your requirements for supplies and submit appropriate requisitions far enough in advance so that the normal established purchasing procedures can be adhered to, and at the same time comply with the appropriate legal requirements governing this activity. Purchases of over \$20,000 require formal sealed bids that, generally speaking, require a minimum of ten working days to complete the process from the time the bid document leaves the department to the respective vendors. For purchases under \$20,000 the time necessary to complete the bid process can range from the same day that the requisition reaches the department (via the telephone bid process) to up to eight working days.

It should be noted that in addition to the time required to complete the bid award process, you must take into consideration the time required for the vendor to deliver the item to your respective department.

## **PAYMENT OF VENDOR CLAIMS**

Timely payment of vendor claims is extremely important in maintaining the credit standing of the Town of Cortlandt. The most significant factor that prevents the Comptroller's Department from making such payments is the lack of a receiving copy of the purchase order from the departments and any packing slips or invoices the departments may have. It should be clearly understood by all personnel that receiving copies of purchase orders **MUST** be forwarded to the Purchasing Department within two (2) days upon receipt of the goods or services. There should be no exceptions to this rule. Any invoices should be attached to the receiving copy and processed to Purchasing.

If you receive an invoice and no white purchase order receiving copy is received within two weeks, a call should be placed to Purchasing. We may not be aware of the purchase and we can then begin the process of issuing the proper paperwork.

NOTE: NO orders should be placed without a Purchase Order Number. This is to ensure that the vendor will be paid. (Exception monthly accounts where a number has been assigned to use for the specified month).

## **PURCHASING PROCEDURES AND VARIOUS FORMS**

On the pages that follow our outline, in a step by step manner, the procedures and steps in the purchasing process from instructions on how to complete Request to Purchase through the actual receipt of the goods or services by you. Samples of the various forms used by the Purchasing Department are also included for your assistance.

The Purchasing Department is charged with the responsibility of purchasing all commodities for the Town of Cortlandt.

Among others, some of the chief areas of responsibility of the Purchasing Department in carrying out the functions are:

- Solicit bids through competitive bidding and establish prices
- Issue Purchase Orders
- Sale of surplus properties and equipment (Central Supplies Office)
- Assist in all aspects of materials management (Central Supplies Office)
- Streamline methods and procedures on an on-going basis
- Search for new markets and sources of supply
- Working hand in hand with the departments to assist with their purchasing requirements. The Department is not responsible for the receipt of materials ordered for departments with the exception of the

Central Supplies Receiving location. (see receiving policies and procedure of Central Supplies Garage).

- Manage Town Hall mail system
- Administration for the Cortlandt Heating Oil Plan (CHOP)

## **A. GOAL**

The goal of the Purchasing Department is to provide increased economies in Town procurement activities and to maximize to the fullest extent possible the purchasing value of the Public procurement.

In evaluating and selecting vendors, consideration is given to quality, price, past performance, ability to meet scheduled deliveries and guarantees of the various vendors and to ensure the fair and equitable treatment of all persons, firms, corporations, etc, who deal with the Town's purchasing procedures. Adhering to the philosophy that it is good to have more than one source of supply, the Department actively solicits competitive bidding and encourages new vendors to offer their sources of supply to the Town. This fosters effective broad based competition within the free enterprise system.

With respect to new ideas or materials, the Department always welcomes any and all constructive ideas, and is continually interested in securing new materials, equipment, services, and the like, which will result in efficient operations and/or dollar savings to the Town.

## **B. SUPPLIER SELECTION AND SOLICITATION**

- Supplier selection is a function of the Purchasing Department. Suggestions as to potential supplies are welcomed from users, but the commitment of any purchase is the responsibility of Purchasing. Any disagreement in this area between the Requisitioner and Purchasing, shall be brought to the attention of the Comptroller.
- Non-Purchasing personnel are to obtain the approval of the Purchasing Department prior to discussing potential purchases with suppliers. These discussions should not include price, nor shall bids be requested. The results of such meetings should be reported to the Purchasing Department. The reasons for this policy are many but designed to protect the Town's interest by:
  - a. Screening suppliers for financial and production capabilities and other appropriate reasons.
  - b. Preventing unauthorized expenditures of funds.
  - c. Preventing unauthorized roaming-at-will through Town premises by the peddlers, solicitors and other supplier representatives.

## **V. Commodities Covered**

REQUEST FOR ALL ITEMS AND SOME SERVICES ARE TO BE PROCESSED through the Purchasing Department with the expectation of:

- Building rentals
- Utility bills
- Publications
- Subscriptions
- Dues

## **VI. Approval and Purchasing Authority**

### **A. Request to Purchase Form**

1. Approval authority is required for all Request to Purchase Forms (Exhibit A). Request to Purchase Forms must be signed by the originator and approval by the Department Head or his authorized representative (as indicated in writing to the Purchasing Department.) Approval authority is recorded on the Authorized Request Form (Exhibit B).

### **B. Receipt and Processing of Request to Purchase Form**

1. All Request to Purchase forms are to be dated the day they arrive in the Purchasing Department.
2. After buyer has obtained all pertinent data (e.g., price, shipping point, payment, and discount). Request to Purchase forms will be distributed for preparation of the Purchase Order.
3. Purchase Order will then be signed by the Director of Purchasing as outlined in Appendix A-1.
4. Once a Request to Purchase form has been received in Purchasing, an item thereon may not be changed unless it has been approved in writing by the requisitioner. The Purchasing Department has the responsibility to request reconsideration of specification or quantity of material if it appears that the interest of the Town may be more beneficially served.
5. A pink copy of the Request to Purchase form will be filed with the Purchasing copy of the corresponding Purchase Order, when the order is placed.

### **C. Instructions for the Issuance of a Request to Purchase**

A Request to Purchase form (see Exhibit A) for all departments consist of three (3) parts.

The pink and 2<sup>nd</sup> white copy are to be sent to the Purchasing Department and the third white copy is to be retained by the department.

1. Date of Requisition – this is to be the date on which the Request to Purchase forms are prepared by the requesting agency/department.
2. Purchase Order # - this number will be assigned by the Purchasing Department when received from the issuing department.
3. Requesting Dept. – The Department or Division of where the goods or materials are to be used.
4. Deliver to – the complete address to which the materials are to be shipped must appear along with any special remarks such as, to the attention of.
5. Account Number – account numbers must be shown as outlined in the department budget.
6. Quantity/Units – the quantity must be clearly stated in standard package units of dozen, pounds, hundreds, each. Approximate amounts Are Not To Be Used.
7. Description- the material or services should be clearly itemized, as well as described and where possible, the manufacturer and catalog number should be shown. Details such as size, color, weight, voltages, and whether installation is required must be given. Where equipment such as office machined, projectors, recorders, etc., are purchased for replacement, the old equipment should be listed as a trade-in. The make model and serial numbers of the trade-in must be detailed, also the fixed asset tag number (Inventory Number).
8. Unit Price- Costs per single quantity of item. Do not extend.
9. Total/Extension – this column is to reflect the new total cost of each item and grand total or all items listed, to be completed by Purchasing Department.
10. Authorized Signature – the signature of the Department Head or authorized representative should appear in this block. The date the Request to Purchase form is signed appears in block.
11. Delivery Date Requested- the normal delivery required under the terms of the Purchase order is 30 calendar days. Any special delivery is required fill in the calendar date by which delivery is needed.
12. Vendor- the name and address of the vendor to be utilized will be filled in by the Purchasing Department except in cases where the Request to Purchase form is a “confirmation”, in which case it is the department’s responsibility to fill in the vendor’s name.

13. Bid #- if known should be filled in by Requesting Dept. or purchasing will complete it.

#### **D. Purchase Order**

1. A Purchase Order (Exhibit C) to be valid, must be signed by the Purchasing Director or his authorized representative as outline in the Approval Authority (Exhibit B).
2. Conditions of Purchase are shown on the front of the Purchase Order Green Form (Exhibit D), Vendor Copy.
3. Any deviation from these standard Terms and Conditions must be agreed to in writing by both the Town and the Supplier.
4. Purchases exceeding \$100.00 must be approved by the Town Supervisor with the exception of: Purchases pertaining to safety, automotive parts, general supplies to maintain Town operations and items authorized by resolution.
5. The current Purchase Order system notifies staff if funds are not available at the Time a purchase order is generated. The Comptroller should be kept informed, whenever possible, so that the appropriate action can be taken. However, the Purchasing Director does have the authority to proceed with appropriate purchases to ensure the ongoing operations and safety of the government.

### **Blanket Purchase Orders**

#### **A. General**

Blanket Purchase Orders are used for those few merchants from whom many repetitive purchases are made as supplies are required. Rather than issue a Purchase Order for each purchase, one Purchase Order is issued for a month to cover all purchases during that month.

#### **B. Procedure-Purchasing Department**

1. Identify the need to have a Blanket Purchase Order through examination of past purchasing records.
2. Solicit bids form qualified local Suppliers if there is more than one accessible Supplier.
3. Place the order with the selected vendor by issuing a pre-numbered Purchase Order. In the description section, write:

“THE USE OF THIS PURCHASE ORDER IS AUTHORIZED BY THE UNDERSIGNED FOR SALE OF MERCHANDISE TO THE TOWN OF CORTLANDT UP TO A LIMIT OF \$..... PER MONTH.”

4. Inform authorized employees of the types of item covered by Blanket Purchase Orders, Vendors name and expiration date. Each Authorized employee should obtain approval form the Purchasing Department before making a purchase under the Blanket Purchase Order.
5. Close the Blanket Purchase Order monthly and issue a new Purchase Order for the coming month

**C. User Department**

Monthly, forward the original delivery tickets received from authorized employees, to the Purchasing Department. Keep a photo copy of same in your department file.

**VII. Charge Accounts:**

There will be no charge accounts without the prior issuance of a purchase order and the approval of the Purchasing Director with the Comptroller’s concurrence.

**VIII. Bid and Quotation Procedure**

**UNDER NO CIRCUMSTANCES CAN A QUOTE THAT EXCEEDS THE BID LIMIT BE AWARDED.**

**A. Solicitation of Bids and Quotations, General/Informal**

Bid requests (Requests or Quotation are to be submitted to equally qualified sources When properly prepared, this form offers bidders all the information needed to prepare a carefully considered, complete quotation. When necessary, appropriate samples, “dummies” or specifications in greater detail will be attached to the Bid/Quotation.

**PURCHASES OF COMMODITIES, EQUIPMENT OR GOODS:**

**ESTIMATED AMOUNT OF PURCHASE ORDER**

**PROCEDURE**

- |  |   |
|--|---|
| <p>A. Up to \$1,500<br/>B. \$1,501 – 5,000<br/>C. \$5,001 – 9,999<br/>D. \$9,999-\$19,999<br/>E. \$20,000 and up</p> | <p>a. At the discretion of the Purchasing Department*<br/>b. Documented telephone quotes from at least two (2) separate vendors (if available) *<br/>c. Formal written quotes from at least two (2) separate vendors (if available)*<br/>d. Formal written quotes form at least three (3) separate vendors (if available)*<br/>e. Sealed bids in conformance with Municipal Law, Section 103.</p> |
|--|---|

On bids for labor and materials or service contracts (with the exception of public work\*) the same bid requirements as listed for Purchase Contracts/Orders in a, b, and c shall apply. In addition the following schedule will apply.

<u>DOLLAR LIMIT</u>	<u>PROCEDURE</u>
a. Up to \$1,500	<i>a. At the discretion of the Comptroller</i>
b. \$1,501 – 5,000	<i>b. Telephone quotes from at least two (2) separate vendors (if available)</i>
c. \$5,001-7,000	<i>c. Formal written quotes from at least (2) separate vendors (if available)</i>
d. \$7,001 – 9,999	<i>d. Formal written quotes from at least four (4) separate vendors (if available)</i>
e. \$10,000-19,999	<i>e. Formal Request for Proposal (RFP) response From at least three (3) vendors</i>
f. \$20,000 – and up	<i>f. Formal sealed bids in conformance with Municipal Law, Section 104</i>

In all circumstances, whenever other than the lowest quote is awarded, there must be written documentation of the reason for the award.

Professional Service and Consultants

Whereas the intent of 104-b also included the hiring of consultants and professionals, the following policy shall apply.

a. Up to \$5,000	Annual charge will be at the discretion of the Department Head and with the approval of the Town Supervisor.
b. \$5,001-15,000	Prices will be obtained by formal written quotes from at least (2) sources and the award will be made at the discretion of the Department and with the approval of the Town Supervisor
c. \$15,001-19,999	Prices will be obtained by formal written quotes from at least three (3) sources and the award will be made by the Department Head/Supervisor and the Town Board
d. \$20,000-and up	Prices will be obtained by RFP with the award of contract being made by a committee consisting of Supervisor, Town Board, Comptroller, Purchasing Director and Department Head.

Exceptions to these limits/procedures can be in accordance with Town Board resolution.

Proper documentation, acceptable to the Town Comptroller must be given if the required number of quotes cannot be accommodated.

Awards to other than the lowest propose must be properly documented with the rationale/reason for rejection of the lowest price.

Any and all procedures not specifically covered in this policy will be adhered to as covered in General Municipal Law, Section 104-b.

*\*Note – See top Page 6 to denote Public Works (Example \*\*,\*\*\*,\*\*\*\*)*

**\*\*With the increase in the bidding limits effective 2009, it is important to distinguish between contracts for public work and purchase contracts, as these terms are not defined in the General Municipal Law. This distinction is especially important because there is a \$15,000 difference between the bidding thresholds and because the board must now establish procedures for procurements below the bidding thresholds.**

In general, purchase contracts involve the acquisition of commodities, materials, supplies or equipment, while contracts for public work involve services, labor or construction. Many times contracts for public work involve both goods and services, and it's difficult to determine which bid limit to apply. Each procurement must be reviewed on a case-by-case basis and a determination made as to what kind of contract is involved. \*\*\*As a central rule, if the contract involves a substantial amount of services such that it is the focal point and the acquisition of goods is incidental, it will be considered a contract for public work. Conversely, if services or labor are only minimal or incidental to the acquisition of goods, it is considered a purchase contract.

\*\*\*\* For example, a contract for interior painting of a public building involved both material (paint) and labor (painting). In most instances the labor component of the contract will be predominant making it a contract for public work. In contrast, replacing a boiler or furnace while involving both equipment (the boiler) and labor will in most instances consist primarily of a charge for the equipment, making it a purchase contract.

1. Manufacturer- wherever feasible and economically advantageous, requests for quotation will be directed to manufacturers rather than distributors.
2. Preparation of Requests for Quotations- Written and electronic quotations are solicited, the Request for Quotation shall:
  - a. Be prepared on a "Request for Quotation"
  - b. Contain an adequate description of the item requested, including specifications, quantities, delivery date, etc.
  - c. Require vendor to furnish price, terms of payment, delivery time and F.O.B point.
  - d. Request vendor to suggest in addition to his response to the bid request, and alternate proposal if it will represent an economic advantage to the Town.
  - e. Request a response within a stipulated time.
  - f. Whenever feasible, quotations should be posted on the Hudson Valley Municipal Purchasing Group electronic bid/quote distribution site. This is up to the discretion of the Purchasing Director
  - g. Attached or noted with the associated Requisition/purchase order
3. Telephone Response to Request for Quotation
  - A. All responses should be documented on the Request to Purchase. (Upon receipt of responses the envelope and its contents will be date stamped.)

- Check the returned quotations against the original solicited and record the quotation responses on the summary section of the Request for Quotation form.
  - Follow-up non-responders to quotation requests, at least once.
  - Submit the Summary of the Requests for Quotation together with all the quotation responses to the buyer for action.
  - Retain a copy of the Summary of the Request for Quotation form on file.
- B. When a telephone or oral quotations are secured, in lieu of a written quotation, an appropriate written record of the quotation shall appear on the requisition form (Exhibit F)

*\*Purchasing Department Only Number 3*

*\*\* ,\*\*\*,\*\*\*\* Examples Public Works*

- C. If the vendor selected is not the low bidder, an explanation as to the reason why the low bidder was not selected should be made on the request to purchase or by memorandum-as per the recommendation and approval of the bid award committee.
- \*5. Appropriate Number of Bid/Quote Responses-sufficient care must be taken to assure receipt of a representative number of responses.
- \*6. Bid Award Committee may consist of the following:
- a. Purchasing Director
  - b. Comptroller
  - c. Town Attorney
  - d. Appropriate Department Head

**6. Contract Authority**

**At the regular Town Board Meeting in January, the Town Board should adopt a resolution authorizing the Supervisor to execute all contracts awarded by the Purchasing Director.**

**The authority should also be extended to the Supervisor to enter into contracts with New York State of Office of General Services during their applicable contract period.**

**Contracts that require a substantial Budget transfer for the upcoming fiscal year, should be awarded by the Town Board.**

**B. Solicitation of Sealed Bids:**

All “sealed bid” requests will be handled in accordance with the requirements as set forth in General Municipal Law Section #103 and 104.

**C. New “Piggybacking” Law - Exception to Competitive Bidding**

A new subdivision 16 has been added to General Municipal Law (GML) § 103 to authorize political subdivisions to purchase apparatus, materials, equipment and supplies, and to contract for services related to the installation, maintenance or repair of those items, through the use of contracts let by the United States or any agency thereof, any state or any other political subdivision or district therein.

**D. Exceptions to Policy - Emergency:**

1. An emergency exists wherein the delay caused by soliciting quotes would endanger the health, welfare or property of the municipality, or more important the individual tax payer, then the procurement of goods and services will be at the discretion of the proper department head with documentation as to the nature of the emergency. Accordingly, there are three basic statutory criteria to be met in order to fall within this exception: (1) the situation must arise out of an accident or unforeseen occurrence or condition; (2) the circumstances must affect public buildings, public property or the life, health, safety or property of the political subdivision’s residents; and (3) the situation must require immediate action which cannot await competitive bidding.
2. Immediate notification and documentation of said emergency shall be copied to Town Supervisor, Town Attorney, Comptroller and Purchasing Department. An appropriate Town Resolution should be later authorized reflecting such purchase with a copy sent to Purchasing. A resolution is required for any emergency purchase exceeding bid limits.

**Sole Source:**

1. Competitive bidding is not required under section 103 of the General Municipal Law in those limited situations when a political subdivision, in the public interest, requires particular goods or services which uniquely serve the public interest, for which there is no substantial equivalent and which, in fact, are available from only one source. In making such determinations, the department head should document, at a minimum, the unique benefits to the agency as compared to other products available in the marketplace; that no other product provide substantially equivalent or similar benefits; and that, considering the benefits received, the cost of the items is reasonable, in comparison to other products in the marketplace. Such documentation must be prepared and reviewed by the Town Attorney, Town Comptroller and Director of Purchasing. The Purchasing Office currently has a form that must be completed by the appropriate official at a minimum.

*\*Purchasing Department Only Numbers 5 & 6*

Requests for Proposals - Please contact the Purchasing Office for guidelines.

Prevailing Wage:

When you employ laborers, workman or mechanics the Town needs to pay prevailing rates according to Article 8 of the New York State Labor Law, no matter what the dollar amount. If required under the Law, certified payrolls are required to be kept at the Comptrollers office and monitored by using agency.

Contract Extensions:

Formal bids/quotes may contain a renewal clause that can be for a term of 12 –24 months and must be included in the original specifications. The determination to extend should include the using department, Purchasing, Comptroller and under some circumstances the Supervisor and Town Board.

Expenses Pertaining to Service Contract: The Purchasing Office puts out term bids that reflect costs based on use per unit. Since these invoices are processed on vouchers it is the responsibility of the using agency to notify all applicable departments, including the Comptroller, of any substantial expenses.

### **Town Procurement Card – Procedures**

1. Appropriate staff completes a request to purchase form and submit to purchasing.
2. Purchasing determines if procurement card is appropriate.
  - a. Only appropriate for business who will not accept a purchase order and will take designated Procurement Card.
  - b. Emergency (as determined by the purchasing department), low cost, items. Lack of planning does not constitute an emergency.
  - c. Total amount of purchase must be under the available balance on credit card.
  - d. Recommended for pickups only. Any returns must be done within (24) hours of purchase. Immediate content inspections required.
3. Purchasing determines best source and gets estimated cost. Supervisor approval must be included when appropriate.
4. Requisitioning staff should then be contacted and notified of approval and procedure.
  - a. Staff should go to purchasing and pickup the card and tax exempt certificate.
  - b. Staff should proceed to business and purchase accordingly. Tax exempt number **MUST** be presented!

- c. Staff must get a receipt for their purchase. This receipt should be returned to purchasing with the card immediately after the purchase. We will provide staff with a copy of this receipt for your records.
5. Purchasing will receive a bill from Procurement Card vendor that will verify all information and submit a voucher to the comptroller's office payment.

## **IX. Vouchers**

1. Vouchers will be used for all areas of payment or purchases that do not meet the criteria for issuance of Purchase Orders.
  - a. General Examples:  
Dues/Publication/Subscriptions, etc.
  - b. Services and repairs performed by outside contractors- Example:  
First Aid/CPR Training courses, contractual obligations with or without bidding, cleaning, etc.

## **XI. Supplier Relationship Policies**

### **A. Supplier Guidelines**

1. As a municipality, we contact many companies and individuals. Similarly, the salesmen of corporations constantly contact the Town in their efforts to sell goods and services. The only lasting personal contact or image of the Town many of these firms retain is that of the Purchasing Department. It is, therefore, of paramount importance, that all Purchasing personnel conduct themselves in accordance with the highest ethical and professional standards. It will be our objective to treat the sales representatives of other firms as we would wish our employees to be treated.
2. All current Suppliers, as well as those who seek to sell their goods and services to the Town, will be treated equally. Evaluation of all bids or contractual arrangements will be made on their specific merits alone.
3. Request for bids will be sent only to qualified suppliers for whom the Town can expect satisfactory quotation and performance. All suppliers asked to quote will receive identical information and specification and will be afforded full opportunity to quote with a comparable understanding of the requirements. Only designated Buyers in the Town Purchasing Department are authorized to seek out price information from suppliers or request bid.
4. Suppliers to the town are expected to be financially solvent. The town cannot be expected to do business with any firm whose financial condition may jeopardize delivery of an order, or possibly lead to a bankruptcy.

Suppliers could be asked to provide a certified financial statement and/or a performance bond.

5. No reliable supplier will be barred from doing business with the Town unless good and sufficient reason has been provided and unsubstantiated, to the Director of Purchasing by a using department, the auditing, accounting or legal personnel.
6. ALL SOLICITATIONS BY VENDORS (SALESPERSON) MUST BE REFERRED TO THE PURCHASING DIRECTOR

### **B. Vendor Files**

Vendor files may be maintain alphabetically and will include all pertinent data to assist the Buyers in evaluating the selection of vendors for inclusion on the bid list.

#### 1. Performance Evaluations

The Purchasing Department should satisfy itself that the vendor is able to perform under terms of the Purchasing Order. Any unsatisfactory or outstanding performances of each vendor should be noted by the Purchasing Department and placed in the vendor's file (with paperwork from the department detailing problems).

### **C. Conflicts Of Interest**

**The town has a firm policy on this subject.**

Conflict of Interest Policy. *"If any employee is in a position in which he may influence:*

*PURCHASES—the placement of Town purchase orders with suppliers or the prices or terms and conditions at which supplies are purchased ...then it is contrary to the intent of this Statement of Policy of the employee to:*

1. Have a direct or indirect financial interest in the business of those ... suppliers...or
2. Accept directly or indirectly from those ...suppliers..., (a) salaries, fees, commissions or other compensation, or (b) loans or other credit facilities, or (C) gift or favors or more than normal value

*This policy is applicable to all employees of the Town, and with respect to financial interest, their families.*

***APPENDIX A***  
***EXHIBITS***

**MAIL DISTRIBUTION**

## **PURCHASE ORDERS**

1. Comptroller/Receiving copy (White) to department for authorized signature when goods are received. Then sent back to Purchasing.
2. Purchasing copy (pink) attach to requisition (pink) and retain in purchasing along with department copy (gold), remittance copy (yellow) and numerical copy (white).
3. Vendor copy (green) sent to vendor immediately.
4. When Comptroller/Receiving copy (white) is received back from department with authorized signature, it, along with the requisition (pink) and remittance (yellow) is sent to the Comptrollers office with any packing slips and an invoice billing us for materials.
5. Purchasing copy (pink) is retained in Purchasing and filed alphabetically.
6. Department copy (gold) is sent to the department for their records.
7. Numerical (white) is kept in Purchasing and filed numerically.

## **I – GENERAL INFORMATION**

### **1. LOCATION**

The Town of Cortlandt Shipping/Receiving and Central Supplies Garage is located adjacent to the Town Hall on 1 Heady Street in Cortlandt Manor. The Central Supplies Garage, Office and Purchasing Department are all housed in the same building.

### **2. ORGANIZATIONAL STRUCTURE**

The Central Inventory and Supplies Manager is responsible for all aspects of Shipping/Receiving in the Central Garage. He reports directly to the Purchasing Director. Support staff include Town Hall Maintenance Staff and Purchasing Department clerical staff.

## **II – RECEIVING POLICIES AND PROCEDURES**

### **DETERMINATION OF DELIVERY POINT**

The receiving procedure begins when the Department Head first completes a Request to Purchase. Based on the item which is ordered he makes a determination of where the item is to be delivered.

(This is also reviewed by the Purchasing Director prior to ordering). Most deliveries go to Central Receiving. Exceptions include large, bulky items, automotive parts or special requests. He notes delivery location directly on the Request to Purchase.

## **RECEIVING PROCEDURES**

1. All Central Garage Receiving must be done between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday. Special deliveries during non-office hours must be pre-arranged through the Central Supplies Manager and/or Director of Purchasing.
2. All receiving for Central Supplies is restricted to either the Central Supplies Manager or a Purchasing Department representative. Exceptions to this should be coordinated through the Central Supplies Manager.
3. Deliveries will be inspected as follows:

### A. Basic Visual Package Inspection

- Evaluate the package in terms of letter and parcel bomb recognition points.\*
- Damage to a package will be brought to the driver's attention and noted immediately on the freight bill. If there is damage, and Receiving decides to still keep the package, the respective department should be notified immediately to decide on the next course of action.
- A visual count should be done and matched with delivery records.

### B. All deliveries will be logged in with the following information;

Vendor's name, method and name of delivery company, purchase order number, name of Receiving department, packing slip information and condition of package. (See exhibit 1)

\*Instructions are in the front of Receiving Garage.

### C. Unidentifiable Deliveries:

In the event that a delivery comes from an unfamiliar source, with no P.O. number noted on the package, the respective department will be called to

validate expecting the delivery. If they are unfamiliar with the delivery, or if the respective Department cannot be identified, Receiving will attempt to track and identify the package through the Vendors return address or the shipping company. Opening the package to help identify the department is up to the sole discretion of the Central Garage Manager. Purchases made directly by departments (No Purchase Order Number) going to the Central Supplies garage must be noted to the Central Supplies Manager prior to delivery.

- D. If the contents of the package are still unidentifiable at this time, and the Central Garage Manager Has reasonable suspicion for not opening the package, the Westchester County Police should be notified.

#### **4. Technical Inspection – (Inspection of Contents)**

Central Receiving will delegate most technical inspection tasks to users, but will assist in such an inspection if requested. Departments must complete a technical inspection immediately and notify the vendor and then Purchasing of discrepancies or damages. Technical inspection will include qualitative and quantitative (suitability and/or effectiveness) evaluations.

#### **5. Late Deliveries**

If a respective department has not received a delivery in a reasonable amount of time it is their responsibility to contact the vendor and notify the Purchasing Department and Central Receiving to determine a course of action.

- 6. Once Central Receiving has determined the user and logged in all the necessary information, arrangements for shipping must be made. All Town Hall package deliveries are made by Town Hall maintenance staff on a daily basis. Smaller, light deliveries are delivered through the Interoffice mail system. The original log sheet stays with Central Receiving . The delivery person takes a copy of the log sheet and has a staff member from each department sign for any respective orders. The sheet is then sent to Central Receiving for documentation.
- 7. The Department of Environmental Services, Water Department and Highway Department are all contacted by telephone and are responsible for arranging their own pickup. As a general rule, departments are requested to pickup orders within 24 hours. Other arrangements can be made through the Central Supplies Manager if space permits. If a respective department has not picked up their delivery in 48 hours, a written reminder is sent interoffice.
- 8. Deliveries which are designed as stock items will be logged and added to Central Supplies computerized inventory. These items may be requisitioned with a Central Supplies requisition form.

9. Layover – Departments may request to have supplies stay at Central Supply for short period of time. All procedures will be the same as they are for stock items and will only be stored if room is available. Departments must validate all aspects of the delivery which may include inspection.

### **III. CENTRAL SUPPLY**

*The core objective of inventory management in Central Supply is to minimize inventory investment and risks while ensuring adequate supplies to meet departmental needs.*

*All Departments may utilize the Central Supply Garage but additions and subtractions must be pre-approved by the Central Supply Manager.*

#### **THE FOLLOWING PROCEDURES HAVE BEEN ESTABLISHED TO ASSIST DEPARTMENTS WITH STOCKED SUPPLIES REQUISITION.**

1. Department Heads must determine who can or cannot pickup supplies. Restrictions must be noted to the Central Supply Manager.
2. All pickups must be between the hours of 8:30 a.m. and 4:00 p.m. on working days only.
3. Central Supplies requisitions submitted via interoffice mail/electronic mail will be processed as quickly as possible. Town Hall deliveries are made on a daily basis and contain a packing slip for content verification. Note: No deliveries are made outside Town Hall.
4. A supplies requisition form must be completed at the time of **pickup** if not previously submitted. (See exhibit 2)
5. The Central Supplies Manager will subtract all requisitions from its existing database daily. (See exhibit 3)
6. Accounting: Departments will receive monthly notices reflecting their purchases with all applicable details. (See exhibit 4)
7. Central Supplies Reordering
  - A. The Central Supply Manager will be responsible for restocking all Central Supplies materials. A periodic memo to departments is required which will update them on changes made in the products carried in Central Supplies. **Departments must call or submit orders at least one week ahead for larger quantities.**
  - B. A periodic meeting should be conducted with respective departments to review products, procedures and upcoming stock projections. Departments

are encouraged to suggest additional Central Supplies products that would assist in their operations.

C. General Town Hall stock items (Items which are not charged to departments)

Copier paper, computer paper and tax forms may be obtained by any office by call the Central Supply Office at extension 1037. If your department has materials that are not available to other departments, you must notify the Central Supplies Manager. Reordering is your responsibility. (Excluding copier paper)

8. General Central Supplies Practices

A. Physical Inventory Counts to monitor inventory a physical count will be completed a minimum of every six months to match computer records. Occasionally spot checks must be completed. If a count is in error, it should be scheduled for a recount in the next cycle. All errors should be documented and accompanied by an error analysis. This should be included in a comprehensive report to the Purchasing Director.

B. Appropriate stock must be monitored and rotated on a timely basis.

## **SECTION IV – SHIPPING PROCEDURES**

A primary function of Town of Cortlandt Shipping/Receiving and Central Supplies Office is to provide assistance to departments with their shipping needs. This assistance may come in the form of materials, knowledge of procedures, cost analysis and to serve as a central shipping point.

### **PRIORITY OR US MAIL**

The most economical method of shipping available to the Town is Priority, or US Mail. Departments should confirm all shipping arrangements with both Vendors and the Mail Messenger if appropriate. All packaging must be done by each respective department with the assistance of materials that are available at the Shipping and Receiving Office.

### **FEDERAL EXPRESS**

In the event that a shipment needs to be tracked, insured, or absolutely has to be at a location in a specified amount of time, the Town has an account with Federal Express.

Again, it is the responsibility of each department to make sure that all items are packaged correctly for shipping. If necessary, Federal Express boxes and/or forms are may be obtained by calling Central Supplies at (914) 734-1037.

First, departments must determine who is covering the shipping costs. If a vendor is covering the costs they should provide the department with a RA (Return Authorization) number which should appear clearly on the package. Vendors may use whatever

shipping carrier that they prefer, but the responsibility of issuing a “call tag” or making arrangements should be the Vendors. Departments should document all details if a vendor is covering shipping.

If a respective department is covering the costs of shipment, they should call Shipping & Receiving and request a Federal Express form. The form should be completed and attached to your package accordingly. Once the package is ready for shipment, please send it over to Shipping & Receiving via interoffice mail or our maintenance service.

Shipping and Receiving will contact Federal Express and arrange for a pickup. If a department needs a package to go out the same day, arrangements for the pickup must be made prior to 12:00 Noon. Otherwise, departments can drop off their package to the nearest Federal Express box. Federal Express will send a bill to the Comptrollers Office accordingly.

### **OTHER CARRIERS**

Extremely, large, costly orders, which are not time sensitive, can be accumulated at Central Supplies and sent UPS with a pickup order. This must be coordinated with the approval of the Comptrollers Office because the UPS driver must be presented with a check at the time of the pickup.

Vendors may use whatever shipping carrier that they prefer, but the responsibility of issuing a “call tag” or making arrangements should be the Vendors. Departments should document all details if a vendor is covering shipping. Departments should then communicate all information to Central Receiving.

## **SECTION V**

### **SCRAP AND SURPLUS**

Every item is a potential source for salvage. Every department should be responsible for reviewing and recommending items for salvage when the items become excess to the department's needs.

All surplus, obsolete or unused supplies, materials and equipment shall be identified and reported to the Central Supplies Manager. He will, in turn, require that a Notification of Scrap/Surplus form be completed and sent accordingly with recommendations. The Central Supplies Manager, the reporting Department Head and other appropriate Town personnel shall make a recommendation to the Director of Purchasing whether the items shall be sold, transferred, donated or disposed of.

**1. Transfer for holding at Central Supplies for future Town use (Requires the approval of the Central Supplies Manager):**

The Central Supplies Manager will keep an ongoing list of all accumulated items that will include the following:

- Town of Cortlandt Identification Number
- Description of item including condition
- Location it came from.
- Recommendation of department head
- Course of action taken by department and/or Central Supplies Manager\*

*This list will be available to all departments on an "as needed basis" under the title "Available Used Equipment". With no demand, the material will be included in the next "Scrap & Surplus Bid."*

- 2. Transfer to another Department** - Upon completion of the form the Central Supplies Manager will make the appropriate adjustment and transfer in the fixed asset database.
- 3. Hold at department for future course of action** - The Central Supplies Manager will add this to the respective surplus inventory list pending future departmental requests or the next scrap and surplus bid.
- 4. Donated** – Any donations to organizations must be approved through an official Town Board resolution.
- 5. Disposal** – Please make sure that the form has been completed and approved, with all T.O.C. documentation taken off and discarded accordingly. Contact D.E.S. for proper disposal.

**IMPLEMENTATION OF A SCRAP AND SURPLUS BID**

The Central Supplies Manager, in conjunction with the Purchasing Director, will make a determination as to the time to proceed with a Scrap & Surplus Bid/auction or e-bay sale. A general memo shall go out to each department notifying them of the impending bid and

establishing a working list of materials. The bid will not be open to any Town employees.

A list of “usable” items should then be circulated to departments for their possible use. Each department will be given the opportunity to review the list and request a surplus transfer if desired. Transfers must be noted to the Comptrollers Office.

Prior to awarding items, the Town Supervisor, the Comptrollers Office, the Clerks Office and the respective Department Head will receive notification of the following:

1. Successful vendor and their Bid
2. Revenue allocation per Department
3. Total Number of Bidders.

Once the bid/auction/sale has been completed the “Award of Sale” must be approved and signed by the Town Supervisor. Once signed, the Purchasing Office should request a Resolution pertaining to an award. Once the resolution is completed Purchasing is authorized to proceed with award notices. Payment should be made to the Town Clerks Office with administrative procedures coordinated by the Central Supplies Manager.

### **SPOT BIDS**

If items are few in number, present a safety risk and/or become available on an irregular schedule, the spot bid/auction/e-bay sale may be used for selling the items. This procedure is simply a matter of contacting buyers on an informal basis to determine the “highest informal price quote” for these particular items.

## **ADDITIONS TO TOWN PROCUREMENT POLICY**

### **Green Procurement**

Green Procurement, also known as environmentally preferable purchasing (EPP), is an effort to purchase products and services that have a reduced negative impact or increased positive impact on the environment and human health compared to traditional products. Green products or services may be recycled, consume fewer natural resources, last longer or include or produce less toxic substances or solid waste. Considerations for green procurement may also include the environmental cost of raw materials, manufacturing, packaging, transporting, distribution, storing, handling, using, maintaining and disposing of the product. Pollution prevention is at the core of green procurement, which strives to reduce or eliminate the use and generation of toxic substances, pollution or waste. As with any purchase, the products form, function and utility is the final evaluator.

The Town of Cortlandt Purchasing Office recognizes the economic and environmental value of environmentally preferable purchasing and will explore green procurement options for certain commodities and services in conjunction with the end user. The Central Supplies Office will also assist departments with exploring options pertaining to Green Cleaning Products.

Certain purchasing functions (such as solicitation of information regarding product specifications), may be obtained from the requesting Department Head. This will not relieve Purchasing of its primary responsibility.

The Purchasing Department tries to make available information of interest to the various Departments. On many occasions a using department will acquire information or knowledge that will be of general interest to other departments. On such occasions it will be appreciated if this information is passed on to the Purchasing Department. This pertains to all Green Products.

The Purchasing Department will then be able to act on it for the general benefit of the Town operation and be in a position to disseminate this information to the various Town departments. While the Purchasing Department does endeavor to keep abreast of new developments and conditions in the market place, on many occasions personnel in the using departments will receive information not readily available to the Purchasing Department. It would be considered of tremendous assistance if this information were shared with the Purchasing Department.

### **DECISION TO PURCHASE GREEN**

The decision to purchase “green” involves many decision makers. The end user, department head, purchasing official, Comptroller and Town Supervisor can all participate in the process that may involve many steps. These include:

**Needs Assessment:** Based on our current scope of work does a Green Product accomplish our performance goals and meet our needs.

**Product Research:** Does a Green Product exist on the market that would meet the spirit of the intent of this policy.

The New York State Office of General Services is a recommended starting place for energy efficient products and alternative fueled vehicles.

Products available on State contract:

**Energy Efficient Products** – The attached table list contracts that include energy efficient products.  
<http://www.ogs.state.ny.us/purchase/spg/pdfdocs/EnergyRecycled.pdf>

**Cleaned Fuel Vehicles and Fueling Equipment Contracts** –  
[www.ogs.state.ny.us/supportServices/vehicles/defaultCFV.html](http://www.ogs.state.ny.us/supportServices/vehicles/defaultCFV.html)

**Green Cleaning approved products from OGS**

<http://www.ogs.state.ny.us/purchase/GreenCleaningProducts.asp>

**New York State Green Cleaning Program**

<https://greencleaning.ny.gov/Entry.asp>

**Information about Environmental Purchasing**

<http://www.ogs.state.ny.us/purchase/EnvironmentPurchasing.asp>

**NYSERDA - New York State Energy and Research Development Authority**

Executive Order No. 111 "Green and Clean" State Buildings and Vehicle Guidelines

[www.nyserderda.org/programs/State\\_Government/exorder111guidelines.pdf](http://www.nyserderda.org/programs/State_Government/exorder111guidelines.pdf)



**Energy Star**

A government-backed program helping businesses and individuals protect the environment through superior energy efficiency.

[www.energystar.gov](http://www.energystar.gov)

**Cost consideration:** As a general rule the Purchasing Director should not consider purchasing Green Products over comparable conventional products if the cost of the Green Product exceeds by over 25% the cost of comparable Conventional Product. When evaluating the cost of a Green Product and a comparable product, Purchasing shall compare total costs over the life of an item, including, but not limited to: the costs of maintenance, insurance, disposal, replacement, safety and health, training, material management and potential liability costs.

