

Procurement Policy

TOWN OF WOLFEBORO

I. PURPOSE

The purpose of this Procurement Policy is to obtain goods and services for the Town of Wolfeboro at the lowest possible price consistent with the quality needed, ensuring that the taxpayers are getting the "best overall value" for their dollars, to exercise financial control over purchases, to clearly define authority for the purchasing function, to assure the quality of purchases, to allow fair and equal opportunity among qualified suppliers and to provide for increased public confidence in the procedures followed in public purchasing.

A. Some of the factors considered when determining the "best overall value" are:

- a. Price
- b. Quality
- c. Warranty
- d. Service
- e. Availability
- f. Past Performance with the Town of Wolfeboro
- g. References

II. PURCHASE ORDERS

Purchases for goods and services that in aggregate or individually of \$ 1,000.00 or more must have a properly authorized purchase order.

- A. Purchases for goods or services, which involve expenditures of less than \$ 1,000.00 can be made after prices have been obtained through the use of sound business practices. A purchase order must be approved prior to ordering the product or before the service is conducted, if in excess of \$ 1,000.00.
- B. Processing of invoices for payment will not occur without a Purchase Order for the aggregate or individual purchases/contracts over \$ 1,000.00.
- C. Payments will be made according to established operating procedures of the Town of Wolfeboro Finance Director.

III. BIDS, AWARD OF BIDS AND CONTRACTS:

- A. Purchases for goods and services, which involve expenditures of at least \$ 1,000.00 (aggregate or single item/services) but less than \$ 10,000.00, may be authorized after at least three (3) price quotations have been obtained. Documentation of price quotations may be obtained in writing or verbally (e.g. on the telephone). The person obtaining such quotations shall record, on a form provided by the Finance Director, the names and addresses of all vendors from

whom quotations were sought, the names of vendors submitting quotations and the date and amount of each quotation. Justification and final approval from the Department Head or Town Manager is required. Copies of the three (3) price quotations must be attached to the Purchase Order in order to receive approval and prior to ordering the product or before the service is provided.

- B. The Town of Wolfeboro may accept guaranteed rates for goods or services, such as NH State bids, or other current governmental units' bids; however it is not obligated to purchase from the guaranteed rate vendor if a lower price is available.
- C. Processing of invoices for payment will not occur without a Purchase Order for the aggregate or individual purchases/contracts over \$ 1,000.00
- D. Payments will be made according to established operating procedures of the Town of Wolfeboro Finance Director.

IV. COMPETITIVE BID PROCESS:

- A. A competitive procurement process must be followed if the procurement of goods or services involves expenditures of more than \$ 10,000.00.
- B. The Finance Director is responsible for the release of all bids and Requests for Proposals (RFPs). The Town Manager shall ensure that the requesting department provide all relevant information for the timely preparation and release of bids be forwarded to the Finance Director.
- C. Bids and RFPs (Request for Proposal) must include:
 - a. Listing of required specifications and services
 - b. List of vendors for bid to be released to.
 - c. Proposed public notice and newspaper advertisement.
 - d. Dates for release of bid, return of bid and public bid opening.
- D. The bid shall be awarded to the lowest responsible bidder that meets the specifications and submits proper bond and insurance requirements if applicable. The Town Manager may reject a bid due to a finding of poor past contract performance or financial condition.
- E. RFPs and invitations to bid, as well as the bid or contract award notices shall be sent from the Finance Director to the Bidders, Department Heads and the Town Manager.
- F. The competitive procurement process may be waived by the Town Manager or Board of Selectmen in the following events:
 - a. In case of emergency or justifiable special circumstances that require timely procurement of goods or services.
 - b. When there is only one source of supplies or services.
 - c. When the service or products are received through the State or other joint bid processes.

V. MISCELIANEOUS PURCHAS.ES UNDER \$ 1,000.00:

The Finance Director provides the Departments with the ability to utilize vendors, such as W.B. Mason, to purchase supplies and other products. The Departments have the responsibility to forward all information regarding orders to the Finance Director to allow for the tracking of those purchases and the proper allocation of costs to the Departments.

VI. PAYMENT FOR GOODS OR SERVICES:

Request for payment for any product or service shall be sent to the Finance Director.

Payment for any purchase over \$1,000.00 will NOT be processed without a Purchase Order that must accompany the invoice.

The Finance Office is responsible for obtaining vendor information through Form W-9 (Attached).

If any item or service purchased is not acceptable, arrangements must be made for a return for credit, exchange, or refund. Cash refunds are prohibited; checks are acceptable, but must be made out to "Town of Wolfeboro", and must be returned immediately to the Finance Director for deposit.

VII. NON-COMPLIANCE

Non-compliance with any section of the Purchasing Policy (unless authorized by the Town Manager in writing) shall result in the following:

- A. Invoices will be returned to Departments when Purchase Orders are not attached.
- B. Contracts entered into without following proper procedures will be voided.
- C. Employees ordering goods or services in non-compliance with this policy may be subject to disciplinary action.

VIII. ARTIFICIAL DIVISION PROHIBITED

Purchases shall not be artificially divided so as to create lower purchase amounts and therefore avoid some requirements of this policy. Whether or not a proposed purchase constitutes artificial division shall be determined by the Town Manager.

IX. ETHICS IN PUBLIC PURCHASING AND CONTRACTING

It shall be unethical for any Town employee involved in making procurement decisions to have personal investments in any business entity that will create a substantial conflict between their private interests and public duty.

It shall be unethical for any person to offer, give, or agree to give any Town of Wolfeboro employee, or for any Town of Wolfeboro employee to solicit, demand, accept, or agree to accept from any vendor or business, a gift or gratuity in any amount in connection with any decision, approval, disapproval, or recommendation concerning a solicitation.

Inexpensive advertising items, bearing the name of a vendor, such as pens, pencils, paper weights, cups, candy, calendars, are not considered articles of value or gifts in relations to this policy.

X. LOCAL ADVANTAGE

The Town of Wolfeboro will make every effort to purchase from businesses located within the Wolfeboro area if the purchase fits into the category of "best overall value". It must be noted that the Town of Wolfeboro has a responsibility to the taxpayers of the Town to ensure that bids are awarded to vendors offering their products or services at the "best overall value" to the Town.

Amended By The Board Of Selectmen On September 19, 2018.