
Procurement Policy

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1) PURPOSE

- Commodities and services which are not required by law to be procured pursuant to competitive bidding must be procured in a manner so as to assure the prudent and economical use of public moneys, in the best interests of the taxpayers, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances, and to guard against favoritism, improvidence, extravagance, fraud and corruption. The Board of Directors adopted this policy to govern all procurements of commodities and services which are not required to be made pursuant to the competitive bidding requirements of General Municipal Law, Section 103 or of any other general, special or local law.

2) DEFINITIONS

- "Commodities" are defined as standard articles of commerce in the form of material goods, supplies, products or similar items.

- "Services" are defined as the performance of a task or tasks, which may include the use of a material good or a quantity of material goods. This definition includes technology which can be either a good or a service or a combination thereof.

3) PROCEDURES FOR DETERMINING WHETHER PROCUREMENTS ARE SUBJECT TO BIDDING

- It is important to distinguish between a purchase contract and a contract for public work because their bidding thresholds are different. As a general 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.

- Purchase contract above $20,000 and contract for public work above $35,000 are subject to competitive bidding.

- Prior to the procurement of commodities or services, a written description of the commodities or services shall be prepared and a review of the provisions of Section 103 of the General Municipal Law shall be made to determine whether such procurement is subject to public bidding requirements. The Office Manager shall document the results of the review if the procurement is not subject to the bidding requirements of Section 103.

4) STATUTORY EXCEPTIONS FROM THESE POLICIES AND PROCEDURES

- Except for the procurements made pursuant to General Municipal Law, Section 103(3) (through county contracts) or Section 104 (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), or the items excepted herein, alternative proposals or quotations for goods and services that fall within the price limitations set forth in this policy shall be secured by use of written requests for proposals (when deemed appropriate), written quotations, verbal quotations or any other method of procurement which furthers the purposes of General Municipal Law, Section 104-b.

5) METHODS OF COMPETITION TO BE USED FOR NON-BID PROCUREMENTS

- The methods of competition for non-bid procurements are as follows:
  - Verbal quotes
  - Written quotes
  - Catalogs
  - Price Lists
  - Federal/State/County/Town contracts
  - Request for Proposals

- Prices available under Federal, New York State, Nassau County or Town of North Hempstead Contracts could be used as benchmarks for obtaining best available prices. For example, if a quoted price is below the State contract price, no further quotes are required.

6) PURCHASING PROCEDURES AND DOCUMENTATION

- Actions to be taken
  - The person/persons shall
    1) Determine the need for the purchase of commodities or service and research the best possible price thereof.

    2) Contact a member of the Board of Directors for approval.

    3) If the cost is between $2,000 and $19,999 in the case of a purchase contract or between $5,000 and $34,999 in the case of a contract for public work,

obtain 3 competitive prices, if applicable, and complete the "Price Comparison Form." (Section 12)

4) Determine if additional documentation is required as outlined in "Documenting actions for non-bid procurements." (Section 13)

5) After the "Price Comparison Form" has been filled out, complete a purchase request for the vendor offering the lowest price; initial the purchase order in the space provided and submit both forms to the Office Manager.

6) If a purchase is to be requested from other than the lowest responsible vendor, additional documentation will be required as outlined in Section 7.

7) When a purchase request is presented for approval, verify that the forms are filled out completely and correctly; that the purchase is necessary; that the price is correct; and that it is in the best interest of the Department and the public.

8) If it is determined that the purchase meets the criteria in #1 above, approve the purchase request by initialing same in the space provided.

9) Present the completed and approved forms to the Office Manager for consideration.

- The Office Manager Shall
  1) Upon receipt of a purchase request and the proper documentation, determine that all of the applicable requirements of this policy and procedure have been met

  2) If all requirements of this policy and procedure have been met, the purchase deemed reasonable and necessary and there are unencumbered funds to cover the purchase, approve the purchase request by signing in the space provided.

7) AWARDS TO OTHER THAN THE LOWEST RESPONSIBLE VENDOR

- Anytime a purchase is made from other than the lowest responsible vendor or contractor submitting a quotation or proposal there must be written justification and documentation stating why the purchase is in the best interest of the Department and the public.

8) ITEMS EXCEPTED FROM THIS POLICY

- The Department sets forth the following circumstances when, or types of procurements for which, in the sole discretion of the Board of Directors, the solicitation of alternative proposals or quotations will not be in the best interest of the Port Washington Fire Department:

1) Expertise
2) Resources
3) Prior experience
4) Familiarity with relevant governmental operations
5) Sole source of goods or services
6) Costs
7) Ability to commence and perform the work on a timely basis
8) Continuity of performance
9) Availability of multiple services from a single source
10) Financial capability
11) Specialized equipment or services
12) Emergencies

- There are three basic guidelines that define an emergency situation
    - The situation arises out of an accident or unforeseen occurrence or condition
    - Public buildings, public property, or the life, health, safety, or property of the department's residents are affected.
    - The situation requires immediate action which cannot await alternative proposals or quotations.

9) INPUT FROM OFFICERS

- Comments concerning the procurement policy and procedures shall be solicited from officers of the Department involved in the procurement process prior to the enactment of the policy and procedures, and will be solicited from time to time.

10) ANNUAL REVIEW

- The Board of Directors shall annually review this policy and procedures. The Department's accountant shall be responsible for conducting an annual review of the procurement policy and for an evaluation of the internal control structure established to ensure compliance with the procurement policy.

11) UNINTENTIONAL FAILURE TO COMPLY

- The unintentional failure to fully comply with the provisions of this General Municipal Law shall not be grounds to void action taken or give rise to a cause of action against the Port Washington Fire Department or any officer or employee thereof.

Price Comparison Form

Description of equipment, parts (include quantity, make & model if applicable) or service to be provided.

Vendor	Date	Amount
1.		
2.		
3.		

Remarks:

I certify that the foregoing price comparisons have been obtained from the vendors listed and are true and correct to the best of my knowledge.

_____
Signature of person requesting the purchase

_____
Date

Documenting actions for non-bid procurements

Verbal Quotations

- Date of phone call, item or service desired, price quoted, name of vendor, name of vendor's representative. If three price comparisons cannot be obtained, the reason shall be fully documented.

Written Quotations

- Vendors should provide date, description of item or details of service to be provided, price quoted, name of contact. If three price comparisons cannot be obtained, the reason shall be fully documented.

Federal, New York State, Nassau County or Town of North Hempstead Contracts

- Documentation should include a copy of the contract. Prices available under any of the above contracts could be used as benchmarks for obtaining best available prices. For example, if a quoted price is below the State contract price, no further quotes are required.

Emergencies

- The person responsible for contracting for commodities or services from any responsible provider without solicitation of alternative proposals or offers due to an accident or other unforeseen circumstances, or public emergency shall as soon as is practical document such purchase of commodities or services. The documentation shall describe the need for immediate action and such information shall be presented to the Board of Commissioners at its next meeting.

True Leases

- Documentation should include written quotes, cost-benefit analysis of leasing versus purchasing.

Second-Hand Equipment from Other Governments

- Documentation should include market price comparisons (verbal or written quotes), and name of government.

Sole Source

- Documentation should include a written substantiation from the manufacturer or service provider that the product or service is only available from one source. In addition, documentation should include a narrative explaining the unique benefits of the item or service as compared to other items and services that may be similar, but not equal.