

PURCHASING POLICY



A. INTRODUCTION

The purpose of this policy is to ensure a system to promote fair and open competition for procuring goods and services. Decisions regarding purchases by the Town may not be awarded on the basis of lowest price, but on a wide variety of factors appropriate to the particular item being acquired. From and after the effective date hereof all purchases made for and on behalf of the Town of Enfield shall conform with these requirements.

B. COMMODITY AND EQUIPMENT PURCHASES

This section applies to the bulk of Town purchasing. This section covers purchases of materials, supplies, vehicles, and equipment, and all other types of purchases not described in Section C below.

1. Purchases of commodity or equipment under two thousand dollars (<\$2,000): require department head approval.
2. Purchases of commodity or equipment of at least two thousand dollars and less than ten thousand dollars (\$2,000-\$9,999): department head solicits (written or verbal) price quotes (written or verbal) from at least three vendors.** Department head and Town Manager then review the price quotes before a purchasing decision is made. Department heads are expected to purchase the commodity or equipment from the vendor offering the lowest price, unless authorization is given by the Town Manager to base the decision on other factors/criteria.***
3. Purchases of commodity or equipment of at least ten thousand dollars or more (>\$10,000): department head prepares a written solicitation for vendors to respond to and has this document reviewed and approved by Town Manager prior to distribution to vendors. Written solicitations must provide sufficient technical detail to ensure vendors are operating under the same information/assumptions, and must also specify what factors/criteria – if any – in addition to total cost will be considered before a vendor is selected. Once the written solicitation is approved, the department head distributes the written solicitation to at least three qualified vendors who are invited to provide detailed written price quotes.** Department heads are expected to purchase the commodity or equipment from the vendor offering the lowest price, unless the Town Manager and department head agree that additional factors/criteria warrant purchasing a commodity or equipment from a vendor at a higher cost.***

C. PURCHASING OF CONSTRUCTION OR PROFESSIONAL SERVICES

Purchasing of professional services--for example, engineering, architectural services and the like--shall adhere to the following rules. Professional services are different from commodity purchases in that: (a) the quality of services provided varies widely, making a low price quote unworkable in many cases, (b) the magnitude of prices for the services are, compared to the goods and services discussed in Section B, much greater, and (c) the vendors themselves typically police the quality of services provided through professional associations, licensing boards, professional standards etc., minimizing the potential for unsatisfactory work product.

Construction services are different from commodity purchases in that: (a) the magnitude of prices for the service are, compared to the goods and services discussed in Section B, much greater, and (b) in order to achieve a satisfactory product vendors typically must adhere to a set of specifications that will vary for each job--i.e. the job product is unique in every instance.

Requests for Proposals (RFPs) must indicate that the proposals may not be awarded on the basis of lowest price, but shall consider numerous elements unique to each proposal, including, but not limited to, value/price relationship, qualifications, timeliness of performance, previous work with the Town and satisfactory completion of work for clients other than the Town. Additionally, all RFPs must clearly state that the Town of Enfield is an equal opportunity provider and employer.

1. Purchases of professional or construction services under two thousand dollars (<\$2,000): require department head approval. The department head shall submit pertinent invoices to the Town Manager's Office for accounts payable purposes upon delivery of the commodity or equipment.
2. Purchases of professional or construction services of at least two thousand dollars and less than ten thousand dollars (\$2,000-\$9,999): department head solicits (written or verbal) price quotes (written or verbal) from at least three vendors.** Department head and Town Manager then review the price quotes before a purchasing decision is made. Department heads are expected to purchase the professional or construction service from the vendor offering the lowest price, unless authorization is given by the Town Manager to base the decision on other factors/criteria.***
3. Purchases of professional or construction services of at least ten thousand dollars or more (>\$10,000): department head prepares a written RFP for vendors to respond to and has RFP reviewed and approved by Town Manager prior to distribution to vendors. RFPs must provide sufficient technical detail to ensure vendors are operating under the same information/assumptions, and must also specify what factors/criteria in addition to total cost will be considered before a vendor is selected. Once the RFP is approved, the department head distributes it to at least three qualified vendors who are invited to provide detailed proposals.** RFPs are also to be made publically and conspicuously available on the Town's official website. Department heads are expected to purchase the professional or construction service from the vendor offering the lowest price, unless the Town Manager and department head agree that

additional factors/criteria specified in the RFP warrant purchasing a professional or construction service from a vendor at a higher cost.***

D. QUOTATION SPECIFICATIONS

Every request for quotations or proposals must specify that the Town reserves the right to accept or reject any or all proposals or quotations and to waive any informality or irregularity in any or all proposals or quotations, and to make a vendor selection which is in the best interest of the Town.

E. STATE BID ITEMS

The State of New Hampshire bids out a wide variety of items used by both state and local governments. These items are available to all towns in the state at the state bid price. Any department desiring goods for which the state has a valid and binding contract may purchase from the appropriate state vendor at the state bid price without further requirements for Town proposals, quotes or price negotiation. Requirements for Purchase Orders, however, remain.

F. EXCLUSIONS

Excluded from the requirements of this policy are emergency purchases, payments for telephone line services or long distance service, payments to utility companies for electricity consumption, payments on behalf of employee from payroll deduction accounts including but not limited to payments of ICMA, NH State Retirement System, FICA, IRS, Blue Cross/Blue Shield, withholding tax payments, workers comp and unemployment comp payments, payment of principal or interest on debt, and other payments where, in the opinion of the Board of Selectmen purchasing is from a sole-source supply, of a proprietary nature, or charges are set by statute, or other good reason.

G. RESTRICTIONS

No contract or purchase order under the applicable items listed above shall be divided, split, or segmented for the purpose of placing it in a less restrictive category.

H. PROCESSING INVOICES & AUTHORIZING PAYMENT

The department head shall submit pertinent invoices to the Town Manager's Office for accounts payable purposes upon delivery of the commodity or equipment. In order to be processed, invoices must be coded for payment from the appropriate municipal expenditure account and approved by the department head (as evidenced by printed initials). Invoices that are not properly coded or approved by the department head will be held (not paid) by the Town Manager's office until the needed information is provided.

I. PURCHASE ORDERS REQUIRED

Purchase Orders required per Town Purchase Order Policy effective June 1, 1990 and subsequent amendments.

J. NON-DISCRIMINATION

The Town of Enfield is an equal opportunity provider and employer.

**If it can be adequately documented by the Department Head that there are circumstances that will reasonably prevent the Town from soliciting or obtaining three price quotes (i.e., the needed commodity/equipment/service is only capable of being provided by a single vendor), then the three price quote requirement can be waived with the authorization of the Town Manager. In the case of commodities/equipment/services valued at \$25,000 or more, concurrence of the Board of Selectmen will also be required before the three price quote requirement is waived.

***Additional factors that will be considered by the Town Manager when determining the propriety of selecting a vendor providing a commodity/equipment/service for a price higher than the lowest bid are as follows: value/price relationship, qualifications, timeliness of performance, previous work with the Town and satisfactory completion of work for clients other than the Town. In the case of commodities/equipment/services valued at \$25,000 or more, concurrence of the Board of Selectmen will also be required before a contract is awarded to a vendor other than the lowest bidder.

Adopted: September 18, 2017

Fred Cummings, Chairman
John Kluge
Meredith Smith

Enfield Board of Selectmen