

## **111.1 Purchasing Policy**

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### **SECTION I – PURPOSE**

The purpose of this policy is to provide for the fair and equitable treatment of all persons involved in public purchasing by the Town, to provide guidance and procedures to be followed for the procurement of goods and services by all Town employees and representatives, and to provide safeguards for maintaining a procurement system of quality and integrity which is deserved by Town Taxpayers.

### **SECTION II – OBJECTIVES**

The objectives of the Town purchasing policies are:

- A. To ensure that materials, equipment, and services are purchased at the lowest prices as is known and available consistent with quality and performance;
- B. To provide adequate controls over Town expenditures and financial commitments with proper documentation;
- C. To obtain quality goods required by Town employee's; and
- D. To provide a standardized system of purchasing for use by Town employee's.

### **SECTION III – APPLICATION**

This policy applies to all procurements of supplies, materials, equipment, services, and construction, entered into by the Town after the effective date of this policy. It shall apply to all expenditures of public funds by a Town employee for Town purchasing irrespective of the source of funds except funds governed by the Heritage Trust Board. When the procurement involves the expenditure of federal assistance or contract funds, the procurement shall be conducted in accordance with any mandatory applicable federal law and regulations. Nothing in this Policy shall prevent any Town employee from complying with the terms and conditions of any grant, gift, or bequest that is otherwise consistent with law.

### **SECTION IV – PURCHASING RESPONSIBILITY**

The Town Clerk/Treasurer is responsible for maintaining compliance with the Town's purchasing policies and procedures. The Town Clerk/Treasurer shall be responsible for authorizing day-to-day purchases for respective employees not to exceed \$500 per item without prior approval of the Chairperson or Town Supervisor. This authority may be delegated to other employees. However, ultimate responsibility for purchasing rests with the Town Clerk/Treasurer.

## **SECTION V – PURCHASING PROCEDURE**

### **A. Budgeted Items**

1. Less than \$500. The Town Clerk/Treasurer is authorized to spend up to \$500 for any line item that is part of their approved budget subject to the availability of funds.
2. Greater than \$500. The Town Chairperson will approve all purchases in excess of \$500 for any line item that is part of the approved budget subject to the availability of funds.
  - a. As part of the review process, three quotes shall be obtained and the employee requesting the expenditure shall state his/her recommendation for which quote to accept, including reasons, and line item of the budget from which funds will be drawn when the Town is invoiced for the purchase.
  - b. The Town Board in its sole discretion may direct a subcommittee, for example Roads and Capital Equipment Committee, to provide a recommendation on the purchase if desired.

### **B. Non-Budgeted Items**

1. Less than \$250. The Town Clerk/Treasurer is authorized to spend up to \$250 for any line item that is not part of the approved budget subject to the availability of funds.
2. Greater than \$250. The Town Board will approve all purchases in excess of \$250 for any line item that is not part of the approved budget subject to the availability of funds.
  - a. As part of the review process, three quotes shall be obtained and the employee requesting the expenditure shall state his/her recommendation for which quote to accept, including reasons, and identify the line item of the budget from which funds will be drawn when the Town is invoiced for the purchase.
  - b. The Town Board in its sole discretion may direct a subcommittee, for example Roads and Capital Equipment Committee, to provide a recommendation on the purchase if desired.

### **C. Sole Source Purchases. Allowed for purchasing budgeted and non-budgeted items under the following circumstances:**

1. The item or service is only available from a single source;
2. After competitive procurement solicitations, competition is determined to be inadequate;
3. An alternate product or manufacturer would not be compatible with the current products resulting in additional operating or maintenance costs;
4. Standardization of a specific product or manufacturer will result in more efficient and economical operations; the purchase is from another governmental body; or
5. The item is being purchased through a cooperative purchasing arrangement such as the University of Wisconsin Surplus With A Purpose (UW SWAP) Materials Distribution Services, or State of Wisconsin VendorNet.
  - a. UW SWAP Materials Distribution Services sales are for accounts which are tax-free and on a state contract with vendors for certain classes of customers such as government agencies.
  - b. VendorNet is a purchasing service that enables Wisconsin municipalities, including Towns, to buy goods and services at discounted prices under contracts already negotiated by the State of Wisconsin. Municipalities can usually expect to save between 20% and 60% off retail prices. This service can maximize a municipality's time and money by getting the highest value for the taxpayer's dollars.

6. Consideration may also be given to businesses within the Town. The purchasing decision shall also consider time and travel outside the local community to substantiate the purchase.
- D. In circumstances where there is only one qualified source and the purchase is not via a cooperative purchasing agreement or state contract, the Town Clerk/Treasurer should use alternate means, such as verifying pricing with other customers, to establish that the price quoted is reasonable..
- E. General Approval. The Town Board has the authority for the management and control of the Town's finances and thus all expenditures of Town funds in accordance with Chapter 60 of the Wisconsin State Statutes. The Town Board will review and approve all expenditures on a monthly basis in accordance with the procedures identified in this policy.
- F. Contracts. All contracts for professional services and public works contracts as defined by Wisconsin State Statutes shall be specifically reviewed by the Town Board which may request review and comment from the Town Attorney. Maintenance agreements shall be reviewed by Town employees and the Town Board prior to renewal to ensure costs are being reviewed and controlled in the best interests of the Town.

#### **SECTION VI – PUBLIC CONSTRUCTION**

It is hereby noted, in regard to public construction projects, public bidding law shall be followed as required in Chapter 60 of the Wisconsin State Statutes and more specifically Wisconsin Statute 60.47 Public contracts and competitive bidding.

#### **SECTION VII – EMERGENCY PURCHASE**

Emergency purchases shall only be made to:

- A. Prevent delays in delivery of essential services; and/or
- B. To stay an immediate threat to the health or safety of the public and employees.

For emergency purchases of general items or services that are not able to fulfill the requirements of this policy and meet the definition outlines, the Town Clerk/Treasurer or employee as time permits shall make an effort to obtain two or more quotes for the item. The purchase shall be approved by the Town Clerk/Treasurer prior to the order/purchase of the item or service. In the Clerk-Treasurer's absence, the purchase shall be approved by the Town Chairperson or Town Supervisor if Chairperson is unavailable prior to ordering the item. The Town Board will review and approve the order at its next scheduled Town Board meeting.

#### **SECTION VIII – CONFLICTS OF INTEREST**

Purchasing Policy shall be subject to Chapter 19 of the State of Wisconsin Statutes with respect to conflicts of interest. More specifically Wisconsin Statute 19.59

#### **SECTION IX – EFFECTIVE DATE**

This Policy shall take effect and be in force from and after the day after passage and publication as required by law.

Dated this 21<sup>st</sup> day of August, 2018

Posted: August 23, 2018

Brenda Kahl, Clerk/Treasurer

Anthony Varda, Chairperson

Jeff Davis, Supervisor  
Joe Kruchten, Supervisor

Michael Statz, Supervisor  
Duane Haag, Supervisor