

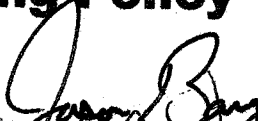
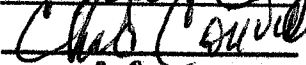
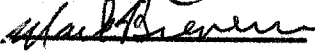
# May Township Purchasing Policy

**Title:** Purchasing Policy

**Adoption Date:** May 11 2020

**Revision Date:** June 8 2020

**Revision Date:** January 11 2021

  
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Supervisor  
  
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Supervisor  
  
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Supervisor  
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Clerk

## **Purpose:**

The purpose of this policy is to ensure the efficient procurement of appropriate goods and services at appropriate prices. In addition, our May Township residents expect this policy to ensure accountability, transparency, and ethical behavior.

## **Summary of Statement of Policy:**

This policy is designed to serve as a guide for all purchases by Township employees and elected officials on behalf of May Township.

## **Actual Policy as Written:**

The Township shall attempt to purchase the highest quality goods and services at the lowest price. In this process, the Township shall serve as an equal opportunity purchaser, favoring local vendors only when all other factors are equal. All purchases are ultimately the responsibility of the Township Board of Supervisors. Supervisors, clerk, treasurer and road crew shall be responsible for purchasing goods and services for their departments.

## **Authorization to Purchase:**

### **Petty Cash:**

Miscellaneous purchases under \$200.00 may be made using the petty cash fund. Petty cash is maintained by the clerk. Original Receipts must be signed by the purchaser prior to submittal for reimbursement.

### **Purchases made up to \$25000:**

May Township Supervisors are authorized to purchase budgeted goods and services up to \$25000.00 if agreed upon by the majority of the May Township Board and funds are available. Board of Supervisors are encouraged to obtain a minimum of two (2) quotes prior to making a purchase. Authorization will be established by signing and coding the original invoice received from the vendor. If a purchase is not budgeted, authorization from the May Township Board is required.

### **Purchases from \$25001.00 to \$175000.00:**

Purchases in excess of \$25001.00 shall be pre-approved by the May Township Supervisory Board. Directors are required to request a minimum of three quotes prior to submitting the purchase request for approval. Quotes must be in writing. The winning quote will be notified by May Township clerk.

### **Purchases over \$175001.00:**

Purchases in this category are required to be formally bid. It is a practice of May Township to provide vendors fair and equal opportunity to compete in the formal bidding process. Publication or

communication of proper notice of the need for bids shall be arranged in a manner which will bring the information to the attention of the greatest number of appropriate professionals, contractors, or vendors. All bids will be advertised at a minimum in the local newspaper no less than two weeks prior to bid opening. Additionally, Township bid specifications may be published on the May Township web site, posted at the May Township hall, and sent to specific approved vendors. All bids must be received by the May Township clerk not later than the time indicated on the bid advertisement. All bids will be date stamped when received by the clerk's office. All bids must be sealed when received. No unsealed bids will be accepted. Bids will be opened by the Township Clerk or personnel from the clerk's office at the place and time described by the bid advertisement and shall be open to the public. Once awarded the winning bidder will be notified by May Township Board clerk. The Township board will reserve the right to reject any and all bids.

**Electronic Bidding:** Not available currently.

**Contracts:** All contracts over \$25001.00 must be signed by the Township Board.

**Education and Training:** The township chairman will approve all requests for continuing education, conferences and training, prior to registration.

**Cooperative Government Contracts:** should the Township be able to secure quality products at favorable prices by joining with other local units of government or participating in a State of Minnesota or federal government purchasing program. The May Township Board may waive the formal bidding process.

**Sole Source Purchasing:**

In recognition that certain products and services are clearly superior and /or compatible with Township Operations, the Township Board may determine that a specific vendor be the sole source of purchasing for the Township. In doing so, the items purchased may be purchased without a formal bidding process.

**Emergency Purchases:**

Emergency purchases can be authorized only when life, property, roads, or equipment are endangered through unexpected circumstances, or when normal operations of the Township would be severely hampered by a long delay. Normal purchasing procedures outlined in this policy may be suspended when such circumstances exist. In the case of an emergency, the Township Supervisors, treasurers, clerk can authorize immediate purchases of any materials, supplies, equipment, or services needed to resolve the emergency.

**Change Orders:**

Any change order greater than 10 percent of the project price will be approved by the Township Board.

**Forms for Bids and Quotes:** Change orders will be documented on the form for Bids and Quotes and saved.

**Retainer Fee:** All quotes/bids will be subject to a 10% retainer fee. Retainer fee will be disbursed after work has been approved by road maintenance supervisor and board of supervisors.

# FORM FOR BIDS OR QUOTES

**Project Type:**  Bid  Quote

**Note:** Change orders are discouraged. If needed a change order must be brought back to the road supervisor of the project for approval. Road supervisor can only approve a change order up to 10% of the project. If amount is larger the change order will have to be brought back to a regular board meeting. If an emergency a special board meeting can be held providing the open meeting laws are followed.

**Project Description:** (To be completed by Board of Supervisors)

**Scope of Project:** (This should include timelines, which include specific dates, for completion of project – this scope will affect the retainer fee.)

**Bid/Quote Submission:** Your bid/quote must be received by the May Township Board of Supervisors as prescribed below. No bid/quote will be accepted after the date and time specified below. The May Township Board of Supervisors retains the right to accept or reject all bids/quotes.

**Additional Information:** Please submit a copy of the following information with your bid/quote. No bid/quote will be complete without the following. This may include: insurance, licensing, etc.