

# PURCHASING POLICY

## City of Greenfield, Indiana

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### *IC 5-22-3-3 Rules; written policies*

*A governmental body may adopt rules to regulate purchases of the governmental body. A rule adopted under this subsection may:*

- (1) supplement this article; and*
- (2) not be inconsistent with this article.*

*The purchasing agency of a governmental body may establish written policies for purchases made by the purchasing agency. The written policies may apply to all purchases generally or to a specific purchase as stated in the solicitation for the purchase. A written policy established under this subsection may:*

- (1) supplement this article or a rule adopted by the purchasing agency's governmental body; and (2) not be inconsistent with this article or a rule adopted by the purchasing agency's governmental body. As added by P.L 49-1997, SEC.1.*

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### **SECTION 1: POLICY PURPOSE**

The purpose of this Policy is to establish a uniform purchasing policy for the City of Greenfield, Indiana. This policy reflects the City's objective to promote and encourage accountability, fiscal responsibility, and ethical behavior. It further aims to ensure that purchases made by the City are conducted in accordance with federal, state and local law, as well as policies enacted by governing boards or the Mayor.

### **SECTION 2: POLICY SCOPE**

This policy applies to purchases made by the City of Greenfield government ("the City") and that are within the City's control and made pursuant to the public purchasing provisions of Section 5-22-3-3 of the Indiana Code. These are purchases that are estimated to cost between \$5,000 and \$150,000 and over. Exceptions to this policy include "routine materials, repairs to equipment, emergency" or any other item as approved by the Mayor. In most cases, this policy will not include public infrastructure construction projects. This policy applies to the purchasing of ongoing consumables, durable goods and services.

### **SECTION 3: POLICY GOALS**

The purpose of this policy is to purchase needed supplies, materials, and services in a manner that will:

- A. encourage accountability
- B. encourage fiscal responsibility
- C. promote ethical behavior
- D. encourage opportunity for local vendors to participate in purchasing process

Nothing contained in this policy shall be construed as requiring the City to procure products that do not perform adequately for their intended use, exclude adequate competition or are not available at a reasonable price in a reasonable period of time.

#### **SECTION 4: OBTAINING QUOTES – PROCEDURE**

In order to meet the City's objective to promote and encourage accountability, fiscal responsibility, and good ethical behavior, all purchasing agents for the City shall make purchases in the manner described on Exhibit A, attached hereto and incorporated herein entitled "Quotation Guidelines".

#### **SECTION 5: RESPONSIBLE PARTY**

Designated staff shall implement this policy upon approval by the Greenfield Board of Public Works and Safety. These personnel include, but are not limited to, City Department Heads, Administrative Assistants, or any other City employees or parties acting as a purchasing agent for materials on the City's behalf.

#### **SECTION 6: TIME PERIOD**

This policy shall take effect on September 11, 2018 and shall continue indefinitely or until amended or replaced by a subsequent sustainable purchasing policy.

#### **SECTION 7: OTHER CITY GUIDELINES AND POLICIES**

##### *Supplier Diversity*

It is the City's objective to promote and encourage competition among all vendors and contractors. The City is committed to an open and fair business environment and exhibits this commitment by offering business opportunities to all persons regardless of race, age, sex or national origin. Further, the City wishes to encourage the diversification of business opportunities among historically disadvantaged businesses, such as women-owned and minority-owned businesses, and encourages its departments to utilize those businesses where practical.

##### *Local Business Preference*

For the purpose of stimulating local economy, the City encourages its departments to utilize local businesses where practical.

##### *General Policy Provisions*

- 1) The City Legal Department must review and approve all contracts for legal adequacy.
- 2) Contracts must meet all federal, state, and local requirements, including the City of Greenfield.
- 3) The Mayor or his designee may review all contracts prior to approval.
- 4) The City Attorney must approve any decision to terminate a contract due to failure to perform by the other party. After notification of the appropriate Board or Commission, the City Attorney will perform the steps necessary to legally terminate the contract.
- 5) This policy shall not apply when items are being purchased utilizing the State of Indiana's Quantity Purchase Agreement (QPA) procedure.

#### **SECTION 8: STATE PURCHASING POLICIES (Indiana State Statute IC 5-22-8)**

Please consult the City of Greenfield, City Attorney for information on current statutory provisions in the Indiana State Code.

## QUOTATION GUIDELINES

The following is a guideline for all individuals within the City of Greenfield administration when soliciting quotations as to the manner of solicitation, what must be contained within the solicitation and what must be contained within the response to the solicitation by any vendor.

### Quotations for purchases between \$5,000 and \$25,000

1. Solicitations by fax, phone, or email to at least three (3) vendors known to deal in the class of work to be proposed.
2. Solicitation should include a description of the anticipated work as detailed as possible.
3. Solicitations should indicate the anticipated start date and completion date for the work.
4. Solicitations should indicate that quotations should be directed to the office of the Clerk-Treasurer by 9:30 a.m. on the day of the Board Public Works and Safety meeting at which you anticipate the solicitation to be considered.
5. Solicitations should indicate the date and time of the Board of Public Works and Safety meeting at which the solicitations will be considered.
6. Solicitations should indicate that quotations should be sealed if the amount of the solicitation is in excess of \$10,000.00.
7. The solicitation should include the document to be completed by the vendor containing the amount of their quote.
8. The solicitation should tell the vendor where the bid packet documents may be obtained and the hours to do so, subject to established holiday schedule.
9. A sign-in sheet for those picking up the quotation packets, other than at the Clerk-Treasurer's office, should be maintained by the applicable department head and delivered to the Clerk-Treasurer by the department head by 9:00 a.m. on the day before the quotations are due.
10. The solicitation shall inform vendors that the successful quoter will be required to name the City of Greenfield as an additional insured under their insurance policy meeting the required limit set forth below.
11. The solicitation should also indicate that the quotation will require the following additional documents:
  - a. A copy of the contractor's insurance declaration page reflecting general liability coverage of at least \$1 million per incident and \$2 million in the aggregate, the

existence of workers' compensation insurance, as well as cyber security insurance if the project involves access to our computer system.

- b. A copy of their proposed contract should they be selected as the vendor.
- c. A duly executed E-Verify affidavit.
- d. A duly executed Iran affidavit.
- e. A duly executed W-9, if one is not already on file with the Clerk-Treasurer.

**Quotations for purchases greater than \$25,000 but less than \$50,000**

1. Solicitation for quotations must be by mail, although you may confirm the solicitation by by fax or email. Solicitations for quotations must be mailed to at least three (3) entities known to deal in the class of work proposed. The mailing must be made not less than seven (7) days before the time fixed for receiving quotes which would be 9:30 a.m. on the day the Board of Public Works and Safety will consider the quotations.
2. Solicitation should include a description of the anticipated work as detailed as possible.
3. Solicitations should indicate the anticipated start date and completion date for the work.
4. Solicitations should indicate that quotations should be directed to the office of the Clerk-Treasurer by 9:30 a.m. on the date the quotations will be considered by the Board Public Works and Safety.
5. Solicitations should indicate the date and time of the Board of Public Works and Safety meeting at which the solicitations will be considered.
6. The solicitation should include the document to be completed by the vendor containing the amount of their quote.
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8. A sign-in sheet for those picking up the quotation packets, other than at the Clerk-Treasurer's office, should be maintained by the applicable department head and delivered to the Clerk-Treasurer by the department head by 9:00 a.m. on the day before the quotations are due.
9. The solicitation shall inform vendors that the successful quoter will be required to name the City of Greenfield as an additional insured under their insurance policy meeting the required limit set forth below.
10. The solicitation should also indicate that the quotation will require the following additional documents:

- a. A copy of the contractor's insurance declaration page reflecting general liability coverage of at least \$1 million per incident and \$2 million in the aggregate, the existence of workers' compensation insurance, as well as cyber security insurance if the project involves access to our computer system.
  - b. A copy of their proposed contract should they be selected as the vendor.
  - c. A duly executed E-Verify affidavit.
  - d. A duly executed Iran affidavit.
  - e. A bond or a cashier's check in the amount of 5% of the total quotation.
  - f. A duly executed W-9, if one is not already on file with the Clerk-Treasurer.
11. Should the solicitation pertain to the installation and/or maintenance of any form of room, street, or alleyway, or any infrastructure within the City, the solicitation shall inform the vendors that should they be the successful quoter, they will be required to provide a performance bond in the amount of 110% of the quotation, as well as a maintenance bond in the amount of 125% of the quotation which shall continue in existence for three (3) years after acceptance of the work and release of the performance bond.

**Quotations for purchases greater than \$50,000 but less than \$150,000**

1. Solicitation for quotations must be by mail, although you may confirm the solicitation by fax or email. Solicitations for quotations must be mailed to at least three (3) entities known to deal in the class of work proposed. The mailing must be made not less than seven (7) days before the time fixed for receiving quotes which would be 9:30 a.m. on the day before the Board of Public Works and Safety will consider the quotations.
2. Solicitation should include a description of the anticipated work as detailed as possible.
3. Solicitations should indicate the anticipated start date and completion date for the work.
4. Solicitations should indicate that quotations should be directed to the office of the Clerk-Treasurer by 9:30 a.m. on the date the quotations will be considered by the Board Public Works and Safety.
5. Solicitations should indicate the date and time of the Board of Public Works and Safety meeting at which the solicitations will be considered.
7. The solicitation should include the document to be completed by the vendor containing the amount of their quote.
8. The solicitation should tell the vendor where the bid packet documents may be obtained and the hours to do so, subject to established holiday schedule.
9. A sign-in sheet for those picking up the quotation packets, other than at the Clerk-Treasurer's office, should be maintained by the applicable department head and delivered

to the Clerk-Treasurer by the department head by 9:00 a.m. on the day before the quotations are due.

10. The solicitation shall inform vendors that the successful quoter will be required to name the City of Greenfield as an additional insured under their insurance policy meeting the required limit set forth above.
11. The solicitation should also indicate that the quotation will require the following additional documents:
  - a. A current financial statement.
  - b. A list of the equipment intended to be used on the project.
  - c. A statement of the contractor's experience.
  - d. A copy of the contractor's insurance declaration page reflecting general liability coverage of at least \$1 million per incident and \$2 million in the aggregate, the existence of workers' compensation insurance, as well as cyber security insurance if the project involves access to our computer system.
  - e. A copy of their proposed contract should they be selected as the vendor.
  - f. A duly executed E-Verify affidavit.
  - g. A duly executed Iran affidavit.
  - h. A duly executed W-9 if one is not already on file with the Clerk-Treasurer.
  - i. A bond or a cashier's check in the amount of 5% of the total quotation.
12. Should the solicitation pertain to the installation and/or maintenance of any form of infrastructure within the City, the solicitation shall inform the vendors that should they be the successful quoter, they will be required to provide a performance bond in the amount of 100% of the quotation, as well as a maintenance bond in the amount of 25% of the quotation which shall continue in existence for three (3) years after acceptance of the work and release of the performance bond.

#### **Request for sealed bids for projects in excess of \$150,000**

1. Requests for sealed bids must be published in the newspaper twice, at least one (1) week but no more than six (6) weeks apart, with the second notice to be at least ten (10) days before the date specified for the bid opening with proof of publication of which to be provided by the department head to the Clerk-Treasurer prior to the opening of such bids. The advertisement must fix the time for receiving bids to be 9:30 a.m. on the day the Board of Public Works and Safety will consider the bids.
2. The request for sealed bids must inform the bidder that their bids must contain the following:
  - a. A current financial statement.
  - b. A list of the equipment intended to be used on the project.
  - c. A statement of the contractor's experience.

- d. A copy of the contractor's insurance declaration page reflecting general liability coverage of at least \$1 million per incident and \$2 million in the aggregate, the existence of workers' compensation insurance, as well as cyber security insurance if the project involves access to our computer system.
  - e. A copy of their proposed contract should they be selected as the vendor.
  - f. A duly executed E-Verify affidavit.
  - g. A duly executed Iran affidavit.
  - h. A duly executed W-9 if one is not already on file with the Clerk-Treasurer.
  - i. A bond or a cashier's check in the amount of 5% of the total bid.
3. All documents required for quotations of less than \$150,000 are required for all bids, but must utilize forms provided by the State Board of Accounts, to the extent they exist which should be included in the packet.
4. Bidders must submit a non-collusion affidavit also utilizing state forms.
5. The request for sealed bids should also advise the bidder that within the required proposed contract, the successful bidder shall include the following provisions:
  - a. The contractor will not make cash payments to an individual or entity for work done on the project.
  - b. The successful bidder will comply with the Fair Labor Standards Act and the minimum wage law.
  - c. The successful bidder will comply with Indiana's workers' compensation insurance requirements.
  - d. The successful bidder will comply with Indiana's unemployment compensation requirements.
  - e. If the project in question is a road project funded in part by the state, the advertisement should indicate the bidder will be required to provide proof of certification by INDOT.
  - f. The successful bidder must submit a copy of the drug testing policy or collective bargaining agreement that describes the drug testing policy.
6. Should the solicitation pertain to the installation and/or maintenance of any form of infrastructure within the City, the solicitation shall inform the vendors that should they be the successful quoter, they will be required to provide a performance bond in the amount of 100% of the quotation, as well as a maintenance bond in the amount of 10% of the quotation which shall continue in existence for three (3) years after acceptance of the work and release of the performance bond.

**Quotation checklist for purchases in excess of \$5,000 and under \$25,000**

The following documents are included:

- A copy of the contractor's insurance declaration page reflecting general liability coverage of at least \$1 million per incident and \$2 million in the aggregate, the existence of workers' compensation insurance, as well as cyber security insurance if the project involves access to our computer system.
- A copy of their proposed contract should they be selected as the vendor.
- A duly executed E-Verify affidavit.
- A duly executed Iran affidavit.
- A duly executed W-9, if one is not already on file with the Clerk-Treasurer.



**Quotation checklist for purchases greater than \$50,000 but less than \$150,000**

The following documents are included:

- A current financial statement.
- A list of the equipment intended to be used on the project.
- A statement of the contractor's experience.
- A copy of the contractor's insurance declaration page reflecting general liability coverage of at least \$1 million per incident and \$2 million in the aggregate, the existence of workers' compensation insurance, as well as cyber security insurance if the project involves access to our computer system.
- A copy of their proposed contract should they be selected as the vendor.
- A duly executed E-Verify affidavit.
- A duly executed Iran affidavit.
- A duly executed W-9, if one is not already on file with the Clerk-Treasurer.
- A bond or a cashier's check in the amount of 5% of the total quotation.

**Sealed bids for projects in excess of \$150,000**

The following documents are included:

- A current financial statement.
- A list of the equipment intended to be used on the project.
- A statement of the contractor's experience.
- A copy of the contractor's insurance declaration page reflecting general liability coverage of at least \$1 million per incident and \$2 million in the aggregate, the existence of workers' compensation insurance, as well as cyber security insurance if the project involves access to our computer system.
- A copy of their proposed contract should they be selected as the vendor.
- A duly executed E-Verify affidavit.
- A duly executed Iran affidavit.
- A duly executed W-9 if one is not already on file with the Clerk-Treasurer.
- A bond or a cashier's check in the amount of 5% of the total quotation.
- Non-collusion affidavit also utilizing state forms.
- Copy of the drug testing policy or collective bargaining agreement that describes the drug testing policy.