

AN ORDINANCE FOR PURCHASING

Be it ordained by the Town Council of the Town of Ledyard:

Section 1: Authority

Pursuant to Chapter VI, Section 5C of the Charter of the Town of Ledyard, as amended, there is hereby established a Purchasing Ordinance of and for the Town of Ledyard.

Section 2: Purpose

The Town of Ledyard, as a local government entity, needs to ensure that the expenditure of public funds occurs in a manner that balances the desire for lowest cost to the Town with an expectation of quality products and services. The purpose of this ordinance is to provide guidance to be followed for procurement of goods and services to achieve the most effective and efficient procurement and disposition of the Town's assets.

All purchases by any official, department, authority, agency, board, commission, or committee of the Town of Ledyard, except those purchases whose approval is derived from the Board of Education, shall adhere to the procedures herein, to ensure that appropriate procurement and accounting procedures are followed in the expenditure of Town funds.

Section 3: Competitive Bidding Process

The following cost ranges determine the action needed in regard to competitive bidding for proposed expenditures on construction projects, equipment, supplies, and professional services, with the exception of legal services. The dollar amounts refer to a total amount, per vendor, per fiscal year:

Less than \$4,999 No bids required; no quotes required; assumes buyers will seek lowest available cost.

\$5,000 - \$14,999 Three (3) quotes required or a bid waiver from Town Council. Written record of quotes or Town Council bid waiver action to be attached to electronic purchase order.

\$15,000 + At least three (3) proposals required through an open and advertised competitive bid process for construction projects, equipment, supplies, and professional services other than legal services.

Bid awards shall be determined by assessing the best interest of the Town in terms of the scope of work, qualified bidders' overall approach to the project or service, past performance, and cost. The bid shall be awarded to the lowest qualified bidder if it is in the best interest of the Town.

If fewer than three bids are received, a bid waiver approved by the Town Council shall be requested prior to award of the bid.

The Town may use other entities' bid awards that were arrived at through a competitive bid process in lieu of the Town's own competitive bidding process. The Town Council shall, by resolution each year, determine the list of entities whose bid awards are eligible for use by the Town of Ledyard.

Section 4: Grant Funding Application Process

All applications for new grant funding shall be considered and approved by the Town Council prior to applying with the grantor. The grant seeker will create a legislative file and attach a completed Grant Request Form and other pertinent information about the grant, the grantor, and project for which the grant funds will be used.

When using State and Federal grants, the Town shall conform to all State and Federal grant procurement and project requirements including, but not limited to, the Federal requirements as stated in 2 CFR 200.318 through 200.325. The grant seeker shall attest to having read and understood these requirements by signing to that effect on the Grant Request Form. The requestor shall include the federal requirements language in the competitive bidding documents.

Grant-funded project and financial files shall be retained until such time as grantor agency audits of the grant-funded project are completed, or per State retention guidelines, whichever is longer.

Section 5: Purchase Orders and Payments

All purchases, except those made through the Direct Pay method, must have an open and approved purchase order in place prior to purchases being made or services being rendered.

The Director of Finance shall be responsible for all purchase orders issued by the Town of Ledyard, and shall insure that each purchase and payment meet the following conditions:

- A. Purchase order requisitions shall be complete, accurate, and properly approved by a department head and the Director of Finance.
- B. The item to be purchased shall be assigned to an appropriate general ledger account number by the originator of the purchase order request. The account line shall contain sufficient funding to cover the proposed expenditure.
- C. If the purchase order is for items that have gone through the competitive bid process, the RFP number shall be included on the purchase order request. If fewer than three bids were received, the Town Council action to approve a bid waiver shall be attached to the purchase order.
- D. If the purchase order is for items that require obtaining quotes, copies of the quotes, or town council action of a bid waiver for fewer than three quotes, shall be attached to the purchase order request.
- E. Payments are made in conformance with this ordinance and with Town, State, and Federal laws.
- F. All payments made by bank check shall be signed by the Director of Finance and co-signed by the Treasurer.

Section 6: Direct Pay Purchases and Payments

Certain payments such as fire volunteer incentive pays, poll worker stipends, and taxpayer refunds for duplicate payments may be paid without the requirement of a purchase order.

The Director of Finance shall be responsible for all payments made through the Direct Pay method, and shall ensure that each purchase made by Direct Pay meets the following conditions:

- A. The use of direct pay requisition shall be prepared and signed by the requestor.
- B. Direct pay requisitions for groups of people shall list the vendor(s), general ledger account numbers to charge, and payment amounts, and must be complete, accurate, and properly approved by the originator and the Director of Finance.
- C. Direct pay requisitions for items or services shall be accompanied by an itemized bill showing the items or services purchased, and approval by the originator indicating receipt of same.

- D. The general ledger account number to which the payment is to be charged shall contain sufficient funds to cover the expenditure.
- E. Payments shall be made in conformance to this ordinance and to Town, State, and Federal laws.
- F. All payments made by bank check shall be signed by the Director of Finance and co-signed by the Treasurer.

Section 7. Penalties for Violation

In accordance with Chapter VII, Section 11H of the Town Charter, as revised, every purchase order or payment made in violation of the provisions of this Ordinance shall be deemed illegal and every official authorizing or making such payment or taking part therein and every person receiving such payment or any part thereof shall be jointly and severally liable to the Town of Ledyard for the full amount so paid or received.

If any officer or employee of the Town shall knowingly incur any obligation or shall authorize or make any expenditure in violation of the provisions of this Ordinance or take any part therein, such action shall be cause for his/her removal.



Section. 8. Severability

If any section, or part of a section, of this Ordinance shall be held by a court of competent jurisdiction be invalid, such holding shall not be deemed to invalidate the remaining provisions hereof.

Section 9. Effective Date

In accordance with the Town Charter this ordinance shall become effective on the twenty-first (21st) day after such publication following its final passage.

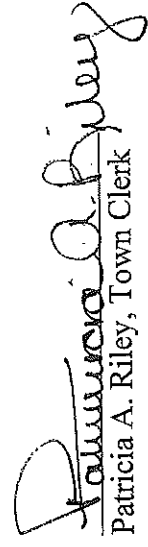
Amended and Adopted by the Ledyard Town Council on: January 26, 2022


Kevin J. Dombrowski, Chairman

Fred B. Allyn, III, Mayor

Approved Disapproved on: 1/27/2022

Published on: February 2, 2022

Effective Date: February 23, 2022


Patricia A. Riley, Town Clerk

Revision: Ordinance #50 "An Ordinance for Purchasing" adopted May 8, 1974 and amended on August 27, 1975; April 24, 1991; January 26, 2005; May 9, 2007; and Ordinance #50-1 "An Ordinance Amending An Ordinance for Purchasing" adopted September 26, 2012; Ordinance #133 "An Ordinance Amending an Ordinance for Purchasing" Adopted March 12, 2014; Ordinance #133 An Ordinance Amending an Ordinance for Purchasing" was amended, renumbered to Ordinance #200-001 and Adopted on September 25, 2019.

History:

2022: Per the Town's Auditor's Ordinance #200-001 has been updated to include the federal guidelines that are required to be followed when spending federal grant money. On July 22, 2020

the federal grant guidelines were incorporated into the “*Town of Ledyard General Government Grant Application Policy and Process*”.

2022: In addition, the Ordinance was totally rewritten to make the language more concise. The purchasing thresholds have not changed.

2019: The Twenty-fourth Town Council (2017- 2019) Ordinance Update Initiative: Renumbered Ordinance #133 ” *An Ordinance Amending an Ordinance for Purchasing*” to Ordinance #200-001.