

RESOLUTION 2020-44

**A RESOLUTION BY THE VILLAGE BOARD OF THE VILLAGE OF STURTEVANT
ADOPTING AND APPROVING A PURCHASING POLICY AND PROCEDURES**

WHEREAS, it is the goal of the Village of Sturtevant to develop a purchasing system that should help provide greater cost-effectiveness and public accountability in the procurement process; and,

WHEREAS, the new policy and procedures shall work in tandem with the Police Department purchasing procedures and shall apply to all departments involved with any procurement of goods or services for the Village; and,

WHEREAS, the Village's goal is to receive maximum value for the public dollar and to purchase in the best interest of the Village.

NOW THEREFORE, the Village Board of the Village of Sturtevant, Racine County, Wisconsin does, hereby resolve that:

1. The Village shall adopt the attached Purchasing Policy and Procedures; and,
2. The Village shall also recognize and apply Sturtevant Police Department Policy 704 as a companion document.

Adopted by the Village Board of the Village of Sturtevant, Racine County, Wisconsin, this 1st day of Sept, 2020.

VILLAGE OF STURTEVANT

By Jayme Hoffman
Jayme Hoffman, Village President

Attest Amanda Ingle
Amanda Ingle, Village Clerk



Village of Sturtevant
Purchasing Policy and Procedures

SCOPE

It is the goal of the Village of Sturtevant to develop a comprehensive purchasing system. This system should provide greater cost-effectiveness and public accountability in the procurement process. The policies and procedures outlined in this policy shall apply to all departments involved with any procurement of goods or services for the Village of Sturtevant.

The Village’s goal is to receive maximum value for the public dollar and to purchase in the best interest of the Village. The Purchasing Procedure outlined below is intended to increase accountability throughout the entire procurement process from the purchasing request through payment of goods received. In all cases throughout the Policy, let it be known that “Village Administrator” signifies “Village Administrator or Designee”.

All Village personnel and officials engaged in purchasing and related activities on behalf of the Village shall conduct themselves in a manner above reproach in every respect. Transactions relating to the expenditure of public funds require the highest degree of public trust to protect the interests of the Village and the residents of the Village of Sturtevant. Village employees and officials shall strive to ensure that public money is spent efficiently and effectively and in accordance with statutes, regulations, and Village policies.

REQUISITION APPROVAL REQUIREMENTS FOR APPROVED BUDGET LINE ITEMS

Up to \$5,000	Approval by the Department Head (written)
\$5,001 to \$25,000	Approval by the Department Head, Village Administrator (written), and Village Board
Over \$25,000	Approval by the Village Administrator and Village Board

Prior to any purchase in the amount of \$5,000 - \$25,000, the Village Administrator will determine if three (3) proposals are necessary, what type of purchase it is and whether it is a public construction project that should be put out to bid. State Statute and any requirements will be noted and approved by the Village Board. Purchases over \$25,000 must go through the bidding process unless the Administrator is otherwise authorized by the Board.

At the discretion of the Village Administrator, all contracts, regardless of amount, may require three (3) price proposals and must be approved by the Village Administrator and/or Village Board.

Awards shall be made to the most responsible bidder that provides the best value to the Village, taking into consideration the vendor’s skill, business judgment and experience, facilities to carry out the contract and previous work and pecuniary ability. The Village reserves the right to waive irregularities, reject and/or accept any and all bids, in whole or in part, or take such other action as serves the best interest of the Village. All bidding procedures shall comply with all applicable State of Wisconsin Statutes regarding bidding processes, procedures and requirements for competitive bidding.



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The Village local officials are governed by the State of Wisconsin code of ethics that sets forth minimum requirements; Wisconsin Statute §19.59. Officials and employees shall not become obligated to any vendor and must not engage in any Village transaction from which they may personally benefit. As stated in the Employee Handbook, employees are advised that solicitation and/or acceptance of gifts, gratuities or other items of value may constitute a violation of Chapter 946 of the Wisconsin Statutes and is not permitted.

Individuals engaged in purchasing shall promote constructive competition by constantly seeking new bidders, obtaining several bids on almost everything purchased and developing more than one active source of supply for various products and services. Multi-year contracts can be entered into if in the best interest of the Village. In addition, participation in the state purchasing program and joint purchasing with other communities is encouraged.

It is Village policy to maximum feasible standardization of products used within and among departments in order to minimize stock levels and obtain better prices through large volume purchases. It is the intent of the Village to buy only from suppliers who have adequate financial strength, high ethical standards and a record of adhering to specifications, maintaining shipping promises and giving maximum service. New sources of supply will be given due consideration, as multiple sources of supply are necessary to ensure availability of materials.

PURCHASE ORDER PROCEDURE

1. A Purchase Order must be completed for any item over \$1,000

The person requesting a purchase must supply the following information:

- Requisition date
- Name of person requesting the purchase order
- Preferred Vendor name (and address for new vendors)
- Deliver to
- G/L Account #
- Material requested
- Page # if applicable
- Item Catalog # if applicable
- Quantity
- Description
- Unit cost
- Total cost
- Reason for purchase
- Approval signatures (Department Head, and/or Village Administrator)

2. Submit Quote or Proposal to the purchasing agent (Deputy Village Administrator/Treasurer). Person requisitioning should verify that the funds are in the general ledger to be charged for the purchase. If not, the employee will need to complete a Budget Amendment form to request monies be moved from a different account.



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3. The purchasing agent or designee will enter the information into Caselle software and a PO will be generated by the system.
4. After invoice is received, the PO is attached to the invoice and given to the appropriate person for signing then processed for payment in the subsequent bill run.
5. If requested by the vendor, a PO should be sent via e-mail or fax to the vendor itself confirming the order.
6. The Village may choose to issue a blanket purchase order number to vendors whose services are repetitive and consistent.

RECEIPT OF PURCHASED MATERIAL

When purchased materials are received against a purchase order, the person receiving them will verify the order for accuracy and condition (back orders or damaged goods should be brought to the attention of the purchasing agent). Packing slip will be turned in to the purchasing agent to attach to the invoice for payment.

BLANKET PURCHASE ORDER

Items purchased through a blanket purchase order must have a receipt which is to be turned into the purchasing agent who will then attach to the PO and pass along to the department head who will approve for payment.

PAYMENT OF INVOICES

All invoices should be given directly to the purchasing agent who will then match the packing slip, purchase number (if assigned), receipt, or any other supporting paperwork with the invoice. Once completed, the purchasing agent will give the invoice with supporting documentation to the appropriate department for verification of receipt of materials or services. If received and correct, the department head/designee will initial and code the invoice or purchase order and return the documents to the purchasing agent for processing. Original purchase orders are kept in the purchasing agent's office, filed alphabetically by vendor.

All invoices will be sent to the Deputy Village Administrator/Treasurer for processing and payment who will then enter them into the system and will verify the accuracy of the invoices. The Deputy Village Administrator/Treasurer reviews and approves the warrant list to be presented to the Board. After approval at the Board meeting, checks will be processed, mailed and the vendor packet will be filed by the Deputy Village Administrator/Treasurer or Village Clerk.



CREDIT CARDS

Receipts must be turned into the Deputy Village Administrator/Treasurer for all credit card purchases at the time the purchase is made. Each credit card receipt is to be attached to a PO (where applicable) and include the general ledger account number to charge. Credit card purchases are subject to the same approval requirements as detailed above.

1. The Village of Sturtevant credit card is not a personal credit card and remains the property of the Village of Sturtevant.
2. Cardholders cannot use the Village of Sturtevant village credit card for personal purchases with the intent of reimbursing the Village of Sturtevant at a later date.
3. An original receipt must support each purchase prior to processing the monthly statement. The cardholder is responsible for ensuring a receipt or adequate support for the items charged on the Village of Sturtevant credit card. When online registration or purchases are made, printouts of the registration or purchase must be retained and attached to the purchase order. The lack of a receipt or adequate support may require the user to pay for the expense from personal funds.
4. For each charge on the credit card monthly statement, the purpose of each item must be itemized. Direction must be given as to the budgeted line item for the item to be coded
5. The Village Administrator, Deputy Village Administrator/Treasurer, or Department Head may authorize an employee to charge Village expenses online, i.e. Amazon, when no other means of obtaining the product or service are available, or the use of the credit card online is the most economical way to obtain the product. Authorization by a department head is required prior to using the credit card online. Support must be forwarded to the Deputy Village Administrator/Treasurer immediately following the use.
6. The Village of Sturtevant corporate credit cards that the Village receives, has the cardholder's name and account information included on the back of the card. It may not be transferred to, assigned to or used by anyone other than the designated cardholder. The only exception to this is when the cardholder authorizes a subordinate to charge Village expenses online, when no other means of obtaining the product or service is available or the use of the credit card is the most economical way or best business practice. Authorization by cardholder is required prior to using the credit card. Support must be forwarded to the card holder immediately following the use.
7. For fuel card purchases and other incidental cases where no receipt is obtained, the cardholder must initial the credit card statement next to the charge. In addition, for non-fuel card purchases, a certification that the expenses were incurred in the conduct of Village business must be completed and signed. The Deputy Village Administrator/Treasurer or Village Administrator will determine if the business expense could be processed. If determined that there is inadequate support, the user will be required to reimburse the Village from personal funds



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8. For overnight business travel, in addition to supporting the monthly credit card statement, the cardholder still has the obligation to follow the Village of Sturtevant's Travel Expense Regulations, which requires a completed reconciliation and travel expense report within two weeks of travel.
9. The Deputy Village Administrator/Treasurer shall follow all generally accepted accounting principles to reconcile monthly credit card statements.
10. Any lost or stolen card information should be reported immediately to the Village Administrator or Deputy Village Administrator//Treasurer. The cardholder is responsible for maintaining the safety and security of the credit card at all times.
11. The Village of Sturtevant retains the right to cancel the employee's access to the Village credit card at any time. Cards may be revoked for misuse or non-compliance of procedures. Violations of the Village's credit card policy shall result in disciplinary action, including termination of employment or prosecution.

MANUAL CHECKS

Occasionally, a need will arise for a check to be prepared manually outside of the normal claims list process. These manual checks are needed when a check has to be remitted prior to the next Board Meeting. The Village's policy is to keep requests for manual checks to a minimum. Common items for which manual checks can be prepared include: 1) Payroll related checks; 2) Conference and seminar registrations; 3) Unavoidable cash on delivery transactions; 4) Board approved contractual obligations requiring check; 5) Emergency purchases; and 6) Situations which will significantly impair the Village financially if a check is not prepared.

The Deputy Village Administrator/Treasurer will process manual checks as required. The Village Administrator may authorize a non-emergency related check between weekly cycles in situations where immediate issuance of the check is needed to prevent an adverse impact on the Village. All manual checks should be approved by the Deputy Village Administrator/Treasurer or the Village Administrator. Departments will need to demonstrate that a manual check fits one of the above criteria.

Once a check is prepared, reporting to the Board including invoice approval, will take place through the first following claims list process, which corresponds to the manual check date.



Village of Sturtevant
Purchasing Policy and Procedures

PETTY CASH

The Village Board has approved a \$400.00 petty cash fund. Responsibility for the custody and safeguarding of these funds and for the fund disbursement is the responsibility of the Deputy Village Administrator/Treasurer. Petty cash is used to reimburse Elected Officials and Employees for Village expenses, which they incur up front, and for small purchases which are handled most efficiently by utilizing petty cash. The following restrictions apply:

1. Individual petty cash purchases are generally limited to a maximum of one hundred (\$100.00) dollars.
2. A petty cash voucher should include the General Ledger account number to be charged.
3. Receipts documenting the expense must be attached to the petty cash voucher. Disbursements from petty cash funds cannot be approved without receipts. If an employee cannot provide a receipt, alternative verification approved by the Department head must be attached. In the case of mileage reimbursements, an approved travel expense form is sufficient in lieu of receipts.

The Deputy Village Administrator/Treasurer is responsible for balancing and reconciling the petty cash fund. The replenishment will be processed through the regular check payment procedure. The request for replenishment must be supported by petty cash vouchers/receipts, which agree to the amount of the request. The fund should be at least fifty percent (50%) depleted for the Deputy Village Administrator//Treasurer to process a check to replenish.

If there are any questions on this procedure, or how to complete the proper forms, please see the Village Administrator or Deputy Administrator/Treasurer for further assistance.

Petty Cash funds used at the Police Department shall comply with Police Department Policy 704 which has very similar requirements to this Village policy. There is two hundred dollars (\$200) in this fund and these funds be reconciled on a weekly basis with the with the Deputy Administrator/Treasurer present. A copy of Policy 704 shall be kept with this Village policy.

DONATIONS

The Village of Sturtevant, on occasion, makes contributions and/or donations to various organizations and charitable agencies. All donations and/or contributions made on behalf of the Village must be either included specifically in the budget or approved in advance by the Village Board.

This policy is designed to be a fluid document and may be modified from time to time to conform to changes in legislation, technology, and actual practice. Although it may not answer every question related to purchasing practices, it does provide general guidelines.