

Schenectady County Purchasing Policy

Purchasing Objectives:

- 1 To acquire quality goods and services for County departments to use in fulfilling their responsibilities.
- 2 To ensure that these goods and services will be available at the proper time and place, and in the appropriate quantity.
- 3 To maximize the value of taxpayer funds in procuring goods and services.

Principles/Standards:

- Schenectady County conducts its purchasing in accordance with the laws of New York State, the County Charter, and the County Administrative Code. The Purchasing Guidelines follow the legal requirements established in these statutes.
- The County is responsible for providing a purchasing program that ensures fairness and integrity, and guards against favoritism, fraud, and corruption.
- A central Purchasing Agent is responsible for County purchasing. The Agent ensures that procurements are made in compliance with State and County laws and that the purchasing objectives (above) are met.
- The County seeks to fulfill its needs for goods and services through open competitive bidding wherever practical and possible. Information is readily available to potential bidders.
- The County encourages all segments of the business community, including businesses owned by minorities and women, to participate in its purchasing program.
- In order to maximize purchasing power, the County Purchasing Agent negotiates and/or utilizes county-wide and New York State contracts to purchase goods and services whenever possible.

Purchasing Rules and Guidelines:

Schenectady County Purchasing Agent

In accordance with New York State Law¹, the following individuals are responsible for purchasing for the period of 1/1/2019 through 12/31/2019:

- Kathleen Rooney, County Manager
- John McPhillips, Commissioner of Finance
- Clifford Stoodley, Director of Purchasing / Purchasing Agent
- Jennifer Nelson, Deputy Director of Purchasing

The Purchasing Agent is responsible for administering the County's purchasing program. The Agent's responsibilities include:

- Providing information and assistance to County departments, vendors, and the public.
- Soliciting, administering, advertising and opening all competitive bids.
- Negotiating and issuing purchase orders for items needed by County departments.

¹ General Municipal Law §104-b(2)(f)

- Negotiating county-wide contracts for goods and services routinely used by County departments (and other municipalities, if applicable).
- Determining the classification of purchases.
- Establishing, implementing, and monitoring purchasing policies.

In order to promote efficiency and flexibility in the purchasing process, the County Manager and the Purchasing Agent may allow departments to order merchandise directly with vendors approved under County or State contracts, or purchasing consortiums. The Purchasing Agent will provide departments with a listing of such vendors, items, and prices on a regular basis.

Note: The Purchasing Agent does not handle transactions for the purchase and lease of real property.

These rules set forth in this policy are based on the requirements of Article 5-A, Section 103 of New York State General Municipal Law, the Schenectady County Charter, and the Schenectady County Administrative Code.

Purchasing Requirements

1. Purchase of Equipment, Materials, Supplies, or Contracting for Public Works

Commodities are considered to be materials, supplies, and equipment, while Public Works are considered to be services, labor, or construction. If a contract involves both service and equipment, the total character of the contract should be determined based on the primary purpose of the purchase.²

Purchases less than \$300

Purchases less than \$300 will be made at the discretion of the County Manager, the Purchasing Agent, or the County Manager's designee.

Purchases of \$300-\$1,999

Departments send a request (requisition) to the Purchasing Agent. At a minimum, three verbal quotes from vendors must be obtained, and a purchase order is issued to the lowest qualified bidder.

Purchases of \$2,000-\$19,999 or Public Works Purchases of \$2,000-\$34,999

Departments send a request (requisition) to Purchasing Agent. At a minimum, three written quotes from vendors must be obtained, and a purchase order is issued to the lowest qualified bidder.

Purchases \$20,000 and above or Public Works Purchases \$35,000 and above³

Materials, supplies, and equipment purchases in aggregate of more than twenty thousand dollars per year, or public works contracts in aggregate of more than thirty-five thousand dollars per year to an individual vendor must be competitively bid. The aforesaid amounts may be increased automatically as provided for in Article 5-A, Section 103 of New York State General Municipal Law. The Purchasing Agent works with the responsible department in developing bid specifications. Requests for bids are advertised in the legal advertising section of the County's official newspaper designated by the County Legislature and are distributed online through a free, public forum.⁴ There must be a minimum of five days between the first day of bid publication and the public opening of bids by the Purchasing Agent.⁵ The Purchasing Agent and the department will review bid results to determine the award, which is made to the lowest responsible bidder.

² See Office of the State Comptroller guidance document "Seeking Competition in Procurement."

³ General Municipal Law §103(1)

⁴ General Municipal Law §103 (2)

⁵ General Municipal Law §103(2)

Open Purchase Orders

If a vendor will be used repeatedly, it is appropriate to execute a contract or an “open purchase order”, so that the procurement/bidding process does not have to be repeated each time an order is placed. “Open purchase orders” may also be used for small purchases from approved vendors for items needed to complete immediate projects where other procurement methods would provide costly delays.

Public Posting in Lieu of Quotes

If three verbal or written quotes cannot be obtained for purchases under the formal bid threshold, but the purchase does not qualify as a sole source, the Purchasing Agent may ensure competitive procurement of the product by publically posting an online solicitation and then making the purchase from the lowest qualified quote.

2. Purchase of Services

Professional Services

The purchase of professional services is initiated by the department in need of the services.⁶ Consistent with State General Municipal Law, Article 5A, Section 104-B, professional services must be procured in a manner that assures the prudent and economical use of public monies in the best interest of the taxpayers. The selection method to be used may include (but is not limited to) the following: request for proposals, request for qualifications, recruitment, or open acceptance of proposals. Professional services contracts awarded with State or federal funds must follow any bidding requirements set forth in State, federal or other applicable statutes and guidelines. Once the service provider is selected, the department should work with the County Attorney’s Office to prepare a contract, which must be approved by the County Attorney, the Purchasing Agent, the Commissioner of Finance and the County Manager.

Maintenance Agreements

Maintenance agreements for equipment are procured through the Purchasing Agent. The Purchasing Agent administers these contracts and must competitively acquire these services or provide sole source justification.

Equipment Leases/Rentals

Equipment leases and rental agreements may only be negotiated and approved by the Purchasing Agent.

Specialized Services

Other services unique to individual departments should be procured using the guidelines for purchases of materials, supplies, and equipment, based on the cost of the service.

3. Public Works Construction Contracts Exceeding \$200,000

Public works construction contracts exceeding \$200,000 may only be awarded to contractors and subcontractors that have an approved apprenticeship program as provided for in Article 23 of the New York State Labor Law and meet State, Federal, or Schenectady County Minority and Women-Owned Business Utilization goals as appropriately apply.⁷

⁶ According to OSC Guidance Document “Seeking Competition in Procurement” issued January 2009, professional services are defined as “requiring specialized or technical skills, expertise or knowledge, the exercise of professional judgment, or a high degree of creativity.”

⁷ See the Schenectady County Equal Opportunity and Affirmative Action Plan

4. Exceptions to Competitive Procurement Requirements

Existing State and County Contracts⁸

Purchases of commodities and Public Work may be made under existing contracts with New York State maintained by the Office of General Services or other counties within New York State. Other county contracts must have a provision extending their use to other local governments. When purchasing off of an existing contract the contract details must be documented on the requisition.

Emergency Procurement⁹

In an emergency situation the Purchasing Agent has the authority to make expenditures below the legal competitive bid threshold (\$20,000 for commodities and \$35,000 for public works) without seeking quotes. The Department head requesting the purchase must explain the emergency situation in writing.¹⁰ If the situation requires purchases or contracts above the legal bid threshold, the County Manager must authorize the expenditure by declaring the emergency situation in writing.

Sole Source Procurement

A purchase may be exempt from competitive procurement if the Purchasing Agent makes a reasonable effort to determine that the item or service required is only available from one source. The Agent must document the reason(s) for sole source procurement. If the procurement is above the legal competitive bid threshold it must be approved by the County Manager.

Hospital Purchases¹¹

Purchases of hospital supplies and services may be made without competitive bidding if made under joint contracts with other public or private hospitals or medical facilities.

Preferential Vendors¹²

Purchases from agencies for the disabled (e.g., NYSID) and correctional facilities (e.g., Corcraft) are exempt from competitive bidding. County departments are encouraged to purchase materials, supplies, and equipment from these entities whenever possible after the department has determined the form, function, and utility of preferred source products and services meet the department's requirements.

Cooperatives & Piggyback Contracts

In lieu of obtaining written quotes for purchases of commodities up to \$20,000; the Director of Purchasing is authorized to make such purchases using established national and regional cooperative purchasing contracts, including, but not limited to, the contracts issued by the following entities: the U.S. General Services Administration (GSA) Schedule 70 Information Technology, Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP), U.S. Communities Government Purchasing Cooperative, Western States Contracting Alliance (WSCA), National Joint Powers Alliance (NJPA), or the HGACBuy Cooperative Purchasing Program.¹³

⁸ General Municipal Law §104, §103(3)

⁹ General Municipal Law §103(4)

¹⁰ Emergency situations are defined as in General Municipal Law §103(4) as "a public emergency arising out of an accident or other unforeseen occurrence or condition whereby circumstances affecting public buildings, public property or the life, health, safety or property of the inhabitants of a political subdivision or district therein, require immediate action"

¹¹ General Municipal Law §103(8); Glendale Nursing Home is considered a municipal hospital under OSC Opinion 89-2.

¹² State Finance Law §162(1),(2)

¹³ General Municipal Law §103 (16)

5. Energy Star Purchasing Program

Consistent with Schenectady County Legislation Resolution 66-08, all agencies and departments must purchase Energy Star-certified products when available unless the Department Head can demonstrate to the County Manager, in writing, that the product is not available competitively, is not available within a reasonable time frame, or does not meet appropriate performance standards.

6. Fraud, Waste and Abuse Prevention Policy Compliance

All departments must comply with the Schenectady County Fraud, Waste and Abuse Prevention Policy, including referencing the policy in contracts or written agreements for services.

Purchasing Procedures

Detailed departmental and vendor purchasing procedures are available in separate documents, which are available from the County Purchasing Agent.