

WINFIELD TOWNSHIP PURCHASING AND SALES POLICY

(A) POLICY

Winfield Township will engage in purchasing and sales activities that are fair and equitable, and which provide the maximum purchasing value for public funds. The Township will implement procedures designed to maintain a procurement system of quality and integrity.

(B) STATUTORY REFERENCES

The Board of Trustees may establish rules and regulations regarding the concerns of the Township as the Board considers necessary and proper and as permitted by law.

(C) PROCEDURE

(1) Operational Guidelines

- i. This Policy applies to the procurement of supplies, goods, equipment, services, and construction by the Township after the effective date of this Policy. It shall apply to all expenditures of Township funds unless otherwise noted in this Policy. When the procurement involves the expenditure of federal or state assistance or contract funds, the procurement shall be conducted in accordance with any applicable federal or state laws and regulations. Nothing in this Policy shall prevent any public agency from complying with the terms and conditions of any grant, gift, or bequest that is otherwise consistent with law. This Policy further applies to the sale of Township property.
- ii. The Township shall not be charged or pay sales tax consistent with State law.
- iii. Independent of other provisions of this Policy, whenever there is an imminent threat to the public health, safety or welfare of the Township or its citizens, the Township Supervisor may authorize purchases or the award of a contract, utilizing competition as may be practical and reasonable under the circumstances, for the emergency purchase of supplies, materials, equipment, services or construction. Such purchases must be reported to the Township Board of Trustees as soon as reasonably possible.
- iv. The Township may join in cooperative purchasing arrangements with public school districts, joint purchasing consortiums or entities, and other government units. In such cases, price quotations or competitive sealed bids shall not be required but Board approval is required. The Township may accept extended government pricing with appropriate documentation, if it is determined to be cost-effective and in the Township's best interest.
- v. Procurement of services classified as professional services shall not require price quotations, or competitive sealed bids but do require Board approval per the Standards for Procurement pricing structure. These types of services by nature are recurrent and long-term relationships that benefit the Township to continue. Vendor selection and pricing should be reviewed annually to maintain adequate and reasonable competition. Examples include but are not limited to insurance services, legal services, engineering services, auditing services, consultants, and software maintenance fees.

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- vi. It shall be a violation of this Policy for any person to offer, give or agree to give any Township employee (current or former) or Township Board member (current or former), or for any Township employee (current or former) or Township Board Member (current or former) to solicit, demand, accept or agree to accept from another person, a gratuity, personal benefit, or kickback in connection with any purchasing or contracting decision.
- vii. The Township shall not be responsible for the costs of goods and services ordered or purchased by any Township official or employee that are not obtained in accordance with this policy. Contracts negotiated inconsistent with this Policy will be considered invalid and non-binding.

(2) Standards For Procurement

i. Procurement Procedures:

1. The procurement procedure to be used is determined by the dollar amount of the procurement. Contracts or purchases shall not be artificially divided to circumvent the purchasing procedures in this Policy. An aggregate of regular, reoccurring purchases shall be determined on an annual basis (for example: gasoline, paper products, cleaning supplies, ammunition, etc.). Grant funded procurements will follow all grant procurement requirements and guidelines.
2. Standard purchase order: Generally prepared for one-time or individual purchases that require a purchase order.
3. Blanket purchase order: Generally prepared for ongoing or recurring purchases with the same vendor throughout the fiscal year. Those purchases may be related or unrelated to one another.

i. Purchases less than \$1,000: A purchase order is not required. Purchases in this dollar amount are made by the Department Head or their designee. Vendor selection and pricing should be reviewed annually for adequate and reasonable competition. All purchases must be within the budget set forth for the current fiscal year.

ii. Purchases from \$1,000 to \$5,000: A purchase order is required prior to the purchase being made. Purchases in this dollar amount are made by the Department Head or their designee. Final approval of purchase orders is by the Township Board. A minimum of three recorded quotes for goods and services should be sought. The vendor's price quote may be verbal, written, or electronic.

iii. Purchases from \$5,000 and above:

1. Such purchases or contracts shall require the solicitation of a minimum of three (3) price quotations. The quotes should be obtained in writing and must be attached to the Purchase Order. Award shall be made to the qualified vendor offering the best

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value to the Township in the Board's sole discretion.

2. The Township reserves the right to accept any proposal, to reject any or all proposals, and to waive any defects or irregularity in the proposal if it appears advantageous to the Township to do so.

3. In the event that the following criteria have been met and the minimum three (3) price quotations provided for herein could not be reasonably obtained, the Township Board may choose to approve any purchase where the Department Head has made a proven effort to solicit quotes for a minimum of 30 days. Documentation must be attached to the PO.

4. If the Township Board of Trustees awards a contract with a vendor, there is no requirement for a Purchase Order. All invoices approved for payment under that contract shall reference the contract, expiration date, and date of approval by the Township Board.

PURCHASING SUMMARY

AMOUNT OF PURCHASE	CONTACT TO INITIATE PURCHASE Order	TYPE OF QUOTE NEEDED	AWARD AUTHORIZATION REQUIRED BY	PURCHASE ORDER REQUIREMENT
LESS THAN \$1,000	DEPARTMENT HEAD	NONE	DEPARTMENT HEAD	NO
\$1,000 – \$5,000	DEPARTMENT HEAD	THREE VERBAL, OR WRITTEN QUOTES	TOWNSHIP BOARD OF TRUSTEES	YES
\$5,000 or Greater	DEPARTMENT HEAD	THREE QUOTES	TOWNSHIP BOARD OF TRUSTEES	YES
RECEIVING	DEPARTMENT HEADS ARE RESPONSIBLE FOR DETERMINING THE PROPER QUANTITY AND QUALITY OF GOODS RECEIVED BEFORE SUBMITTING THE INVOICE FOR PAYMENT			

(3). Sole Source Procurement

- i. Sole source purchases are defined as those in which "only one vendor possesses the unique and singularly available capability to meet the requirements set" such as technical qualifications, ability to deliver at a particular time, services from a public utility or in a

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situation where a particular supplier or person is identified as the only qualified source available.

- ii. Sole source purchases may also result because of compatibility with existing equipment or systems, the product or service is patented, copyrighted or has other proprietary information or trade secrets retained by the owner.
- iii. With approval from the Township Board, a purchase may be made or contract awarded, without bidding, when the appropriate Department Head determines, in writing, after conducting a good faith review of available sources, that there is only one appropriate source, and/or, when it is in the best interest of the Township to choose the one appropriate source, for the required supply, equipment, service, or construction item.
- iv. A note or document shall be attached to the Purchase Order documenting why it is a sole source procurement.

(4). Emergency Procurements

- i. Notwithstanding any other provisions of this Policy, the Township Supervisor may make, or authorize others to make emergency procurements of supplies, services, or construction items, as recommended by a Department Head of the related department or division, when there exists a threat to public health, safety, or welfare, or where it is in the Township's best interest to do so, provided that such emergency procurements shall be made with such competition as is practicable under the circumstances, and shall be documented in writing. All emergency purchases must be presented by the Department Head for information purposes only at the following Township Board meeting.

(5). Cancellation of Bids or Requests for Proposals

- i. In all cases, a bid or a request for proposal, or other solicitation, may be cancelled, or any or all bids or proposals may be rejected in whole or in part, as may be specified in the solicitation, when it is in the best interest of the Township, as determined by the Township Board in its sole discretion. Each solicitation issued by the Township shall state that the solicitation may be cancelled and that any bid or proposal may be rejected in whole or in part when it is in the best interest of the Township as determined by the Board in its sole discretion.

(6.) Rejection of all Bids or Offerors; Responsibility of Bidders or Offerors

- i. In all cases, it shall be within the discretion of the Township Board not to award a contract to a bidder or offeror for any reason, including a determination that the party is not a responsible bidder or offeror.

(7.) Bid, Payment, and Performance Bonds on Contracts

- i. To protect the Township's interests, bid surety, payment bonds, or performance bonds or

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other security may be required for contracts in conformance with state law or in the reasonable discretion of the Township. Any such requirements shall be set forth in the solicitation. Bid or performance bonds shall not be used as a substitute for a determination of a bidder or offeror's responsibility. Financial statements or performance bonds may be required from any surety, if deemed appropriate by the Department Head or Treasurer.

(8.) Township Procurement Records

i. Bid File

1. All determinations and other written records pertaining to solicitation and award of a contract done shall be maintained in a bid file by the respective Department that initiated and managed the bid process. Upon completion of the project, it shall be turned over to the Township Clerk to be retained as required by law.

ii. Retention of Procurement Records

1. All procurement records shall be retained and disposed of by the Township in accordance with the appropriate Record Retention Schedules issued by the State of Michigan.

(9.) Sales of Township Property

i. The Township Supervisor will be responsible to administer the disposal of Township assets subject to the following:

1. The conveyance of fee title or any interest in real property may only occur with the prior approval of the Township Board.
2. Except as otherwise provided herein, the sale of assets other than real property must be by publicly advertised sale and shall be awarded to the bidder whose bid is deemed most advantageous to the Township.
3. The Township Supervisor may establish the minimum price for which an asset other than real property may be sold and may, with the prior approval of the Township Board, delegate authority for the sale of assets other than real property to other Township employees.
4. Assets or property with a de minimis value may, with the prior approval of Township Board, be conveyed to one or more nonprofit organizations or other noncommercial entities approved by the Township Board where no buyer can be found or in cases where the Township Board determines that the conveyance is in the public's best interest.
5. The Township may not sell assets directly to Township employees or officials. At the discretion of the Township Supervisor, assets may be sold to Township employees or officials provided that such sales are conducted on the open market and the assets are sold at fair market value.

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(10.) Ethics in Public Purchasing/Contracting

i. Duty to Abide by Township Policies

1. Township employees and elected officials shall abide by existing Township policies including, but not limited to, policies regarding conflict of interest, gratuities or "kickbacks" and confidential information. Violation of this section may result in disciplinary action including termination.

ii. Overriding the Provisions of the Policy

1. Under no circumstance shall Township employees or elected officials manipulate the circumstances of a purchase transaction to override the provisions of this policy. For example, a proposed or actual purchase for \$10,000 may not be split into separate transactions of lesser amounts to avoid soliciting sealed bids. Violation of this section may result in disciplinary action including termination.

iii. Conflicts of Interest

1. Board of Trustees

1. No member of the Board of Trustees, individually or through a business in which he or she is an owner, partner or has a financial interest other than as an employee, will be allowed to bid or perform as a contractor or sub-contractor on any Township construction project.

2. Professional Service Contracts with Former Township Employees or Former Township Board Members

1. To avoid the potential for conflict of interest, or any appearance thereof, the Township requires that all requests for entering professional service contracts with former Township employees or former Township Board members be approved by the Board of Trustees.

3. Vendor/Township Employee Relationships

1. To avoid any real or perceived conflict of interest, all proposals or contracts for professional services should, to the extent possible, identify any family relationship of the contractor or his/her employees and those who are presently employed by the Township.

**WINFIELD TOWNSHIP
MONTCALM COUNTY, MICHIGAN**

RESOLUTION NO. 2024 12-1

**A RESOLUTION TO ADOPT A PURCHASING AND SALES POLICY AND TO
RATIFY PREVIOUS PURCHASING ACTIONS**

RECITALS

A. Consistent with state law, the Board of Trustees for Winfield Township is authorized to control, manage and administer the Township's property and to adopt policies implementing the administration of Township property.

B. The Township recently undertook several significant projects to develop Township property and, in the process, learned of shortcomings and inefficiencies in the Township's purchasing policies for goods and services.

C. The Township desires to adopt improved purchasing policies that will enhance its ability to obtain goods and services in a transparent manner, and so as to obtain the best value for the citizens and taxpayers of the Township.

D. A copy of the proposed purchasing policy developed by the Township is attached as Exhibit A, entitled the "Winfield Township Purchasing and Sales Policy" (the "Policy"). The Township Board desires to adopt the Policy.

NOW, THEREFORE, IT IS RESOLVED THAT:

1. The Recitals set forth above are affirmed as accurate and are incorporated as if fully restated.
2. Exhibit A to this Resolution, the Policy, is hereby adopted by the Township as its purchasing policy.
3. All actions previously taken by the Township Board or Township officials with respect to acquiring, contracting for, or buying goods or services associated with public improvements are hereby ratified and affirmed and any previous purchasing policy in conflict with such actions is nullified and of no force or effect.
4. All resolutions, parts of resolutions, or policies regulating or proscribing in any manner purchasing or sale policies for the Township are hereby repealed, it being the intent of the Township Board that the Policy shall henceforth be the sole purchasing policy for the Township.
5. This Resolution shall take immediate effect.

The vote on the foregoing Resolution was as follows:

AYES: Julia Potratz, Theresa Bengette, Stratton, Susan Majinska, Carole Sue Chase Stout, Ryan VanSolkema

NAYS: none

ABSENT: none

Resolution No. 2024-12-1 adopted.

Ryan VanSolkema Supervisor
Ryan VanSolkema, Supervisor

Carole Sue Chase Stout
Carole Sue Chase-Stout, Clerk

CERTIFICATION

I, Carole Sue Chase-Stout, the duly acting clerk for Winfield Township, hereby certify and affirm that the foregoing is a true and accurate copy of a resolution adopted by the Winfield Township Board at its regular meeting held on 12/12/, 2024, at the Township Hall, which meeting was held and noticed in accordance with all applicable state and local legal requirements.

Carole Sue Chase Stout
Carole Sue Chase-Stout, Clerk