



CITY OF MARTINSVILLE | *MAYOR'S OFFICE*
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FOR IMMEDIATE RELEASE

December 3, 2018

Contact: Shannon Kohl, Mayor

GUIDELINES APPROVAL HOLDS ACCOUNTABILITY FOR FUTURE CITY PURCHASES

Martinsville, Ind. – The City of Martinsville Board of Works approved purchasing guidelines in Monday night's Board of Works meeting.

Purchasing guidelines, which were not in place previously, were approved in Monday's Board of Works meeting to set the standard for future purchases done by the City of Martinsville.

While the City did not have guidelines in place in the past, Mayor Shannon Kohl finds they will be essential in running the City responsibly and transparently moving forward.

"We inherited poor practices and unwritten guidelines, but we're taking steps in the right direction to improve our City and the way it runs," she said. "Thanks to our City Attorney and Taft Law, we're able to ensure all purchases go through the correct channels for approval in the future."

The purchasing guidelines, titled Resolution No. 18, were a result of a City Report done by City Attorney Anne Cowgur and Taft Law. The findings of the report revealed a lack of good practices for purchases and contracts within the City, which was uncovered last year.

During the summer of 2017, an incident was brought to the attention of the City, showing that purchases had been made by a now former employee who did not have the authority to sign off on.

"We've learned from past matters, and we want to move forward in a strong, positive manner," Mayor Kohl said. "Putting guidelines in place that weren't there previously holds accountability for all departments and City personnel to be responsible in how to handle purchases and contracts."

Resolution No. 18, outlined in the attachment, will place purchasing responsibilities on the Board of Works and department heads, with approval guidelines varying based on the purchasing or contract dollar amounts.

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For questions or interview requests, contact the Mayor's Office at 765-342-2861.

RESOLUTION NO. 18-__

A RESOLUTION OF THE BOARD OF WORKS OF THE CITY OF MARTINSVILLE, INDIANA, PROVIDING FOR PURCHASING GUIDELINES.

WHEREAS, the City of Martinsville, Indiana (the “City”) is subject to certain statutory terms, provisions, and requirements relative to its purchase and use of goods, supplies, materials and other necessities; and

WHEREAS, the City has previously adopted Ordinance No. 98-1427, which designated the City’s Board of Public Works and Safety (the “Board of Works”) as the purchasing agency; and

WHEREAS, the Board of Works desires to adopt purchasing guidelines set forth as Exhibit A (the “Guidelines”); and

WHEREAS, the Board of Works hereby adopts this purchasing policy and the Guidelines per use in purchasing goods, supplies, materials and other necessities within the City.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF WORKS OF THE CITY OF MARTINSVILLE, INDIANA, THAT:

1. Designation of Purchasing Agency: the Board of Works of the City of Martinsville, Indiana has been designated as the Purchasing Agency for the City of Martinsville, Indiana with all of the powers and duties authorized under Indiana Code § 5-22.
2. Designation of Purchasing Agent: the Purchasing Agency designates the head of each department (the “Department Head”) as the purchasing agent for that department (the “Purchasing Agent”).
3. Purchases or Contracts under \$50,000
 - a. Purchases or Contracts of \$5,000 or Less
 - i. Shall be reviewed and approved by the Purchasing Agent.
 - ii. Mayor reserves the right to deny any Purchase.
 - b. Purchases or Contracts between \$5,000 and \$10,000.
 - i. Shall be reviewed and approved via a Requisition Form/Written Request by the Purchasing Agent and Mayor.
 - ii. Mayor reserves the right to deny any Purchase.
 - c. Purchases or Contracts between \$10,000 and \$50,000
 - i. Shall be reviewed and approved via a Requisition Form/Written Request by the Purchasing Agent, Mayor and/or Board of Works.
 - ii. Mayor reserves right to deny any purchase.
 - d. For purchases of \$5,000 or less, the Purchasing Agent may purchase supplies on the open market without inviting or receiving quotes or bids. The Purchasing Agent shall submit a detailed invoice describing the purchased supplies or services rendered at the time the invoice is submitted for payment to the Clerk-Treasurer and to the Mayor.
 - e. For purchases greater than \$5,000 but less than \$50,000, the Purchasing Agent shall invite

at least two (2) quotes, by either verbal presentation or email, from potential vendors known to deal in the lines or classes of supplies to be purchased. If the City receives one or more responsible quotes, the City may award a contract to the lowest responsible and responsive offeror or reject all quotes. If the City receives no bids, the City shall proceed under the special purchasing provisions and purchase the supplies or render services on the open market.

4. Purchases Between \$50,000 and \$150,000
 - a. Shall be reviewed and approved by the Department Head, Mayor and Board of Works.
 - b. The information presented to the Board of Works will contain three (3) formal quotes from different vendors or will have an explanation for their absence.
 - c. If the City receives one or more responsible quotes, the City may award a contract to the lowest responsible and responsive offeror or reject all quotes.
5. Purchases of \$150,000 or More
 - a. Shall be submitted to a formal bidding process as set forth in Exhibit A.
 - b. Shall be reviewed and approved by Department Head, Mayor and Board.
 - c. If the City receives one or more responsible quotes, the City may award a contract to the lowest responsible and responsive offeror or reject all quotes.
6. Contracts and Information Retention
 - a. Contracts
 - i. All signed and approved contracts will be scanned electronically and placed in an accessible location by the Purchasing Agent and a copy filed with the Clerk-Treasurer.
 - ii. All contracts will be subject to public review, if requested.
 - iii. The original contract or copy will be filed in a central location located in the Clerk-Treasurer's Office.
 - b. Bids
 - i. When a Bidding Process, Request for Proposal or Quotation (collectively, the "Bid") is conducted, the Purchasing Agent must maintain an accurate Bid/Proposal Register that contains the following:
 1. A copy of all documents that are included as part of the invitation for Bids.
 2. A list of all persons to whom copies of the Invitation for Bids were given.
 3. A list of all Bids received, including the following information:
 - a. The name and address of each Bidder.
 - b. The dollar amount of all Bids priced received during the bidding process.
 - c. The name of the successful Bidder and the dollar amount of that Bidder's Bid.
 4. The basis on which the award was made.
 5. Documentation of the Purchasing Agent's negotiating process with Bidders. The documentation must include the following:

- a. A log of the date and times of each meeting with a Bidder. The log must include the identity of the Bidder.
 - b. A description of the nature of all communication with each Bidder.
 - c. A copy, subject to the below, of all written communications, including electronic communications, with each Bidder. The entire contents of the contract file except for proprietary information included with a Bid, such as trade secrets, manufacturing processes, and financial information that was not requirement to be made available for public inspection by the terms of the Invitation for Bids.
 6. Except as provided herein, the Bid Register is subject to public inspection only after the contract award.
 - ii. Special Purchases pursuant to IC 5-22-10-3
 1. A Purchasing Agent shall maintain the contract records for a Special Purchase in a separate file.
 2. A Purchasing Agent shall include in the contract file a written determination of the basis for:
 - a. The Special Purchase; and
 - b. The selection of a particular contractor.
 3. Notwithstanding any other law, Martinsville shall maintain a record listing all contracts made under IC 5-22-10-3 for a minimum of five (5) years. The record must contain the following information:
 - a. Each contractor's name.
 - b. The amount and type of each contract.
 - c. A description of the Supplies purchased under each contract.
 4. The contract records for a Special Purchase are subject to annual audit by the State Board of Accounts.
7. Purchase of Supplies Manufactured in the United States: Supplies manufactured in the United States will be specified for all purchases and will be purchased unless the City of Martinsville, Indiana determines:
 - a. The supplies are not manufactured in the United States in reasonably available quantities;
 - b. The price of the supplies manufactured in the United States exceeds by an unreasonable amount the price of available and comparable supplies manufactured elsewhere;
 - c. The quality of the supplies manufactured in the United States is substantially less than the quality of comparably priced available supplies manufactured elsewhere; and
 - d. The purchase of supplies manufactured in the United States is not in the public interest.
 8. All purchases under this policy shall apply the Guidelines as set forth in Exhibit A.
 9. Before a purchase is approved, the Purchasing Agent shall confirm that sufficient appropriations exist to cover the amount of the anticipated purchase.