

## COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY

### PROCUREMENT POLICY

#### I. Introduction

- A. This Procurement Policy (the “*Procurement Policy*”) of the County of Franklin Industrial Development Agency (the “*IDA*”) is adopted pursuant to Article 18-A of General Municipal Law (“*GML*”), specifically §858-a (2) and §104-b, and the Public Authorities Accountability Act of 2005. The IDA is required to adopt procurement policies which will apply to the procurement of goods and services not subject to the competitive bidding requirements of §103 of GML, or any other general, special or local law and paid for by an IDA for its own use and account. This policy shall be reviewed annually by the IDA and approved by the Board of Directors (the “*Board*”).
- B. This Procurement Policy shall not apply to projects undertaken by agents of the IDA where the IDA has held proceedings to provide financial assistance for such project. Nor shall this Procurement Policy apply to alter any IDA contractual obligations regarding such projects.
- C. The purpose of this Procurement Policy is: (i) to assure the prudent and economical use of public funds in the best interest of taxpayers; (ii) to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances; and (iii) to guard against favoritism, improvidence, extravagance, fraud and corruption.

#### II. Operative Policy

- A. Items purchased in conjunction with Franklin County purchasing procedures, including New York State contract pricing, shall meet IDA requirements.
- B. The IDA shall adhere to the following methods of competition for non-bid procurements:
  - 1. A purchase contract in excess of \$10,000 requires advertised Request for Proposals (“*RFP*”) and approval of the Board.
  - 2. A purchase contract in excess of \$5,000 and up to \$10,000 requires written price quotations from at least three (3) vendors and approval of the Board.
  - 3. A purchase contract in excess of \$2,500 and up to \$5,000 requires oral price quotations from at least three (3) vendors and the purchase made only after all quotations are evaluated by the IDA. The Chief Executive Officer may approve these purchases and Board approval is not required.

4. For purchase contracts up to \$2,500, verbal or written quotations are not required. The Chief Executive Officer may approve these purchases and Board approval is not required.
- C. Circumstances under which the Chief Executive Officer may, in his or her sole discretion, decide that competitive bidding/solicitation is not required include:
1. When the cost of the supply, equipment or material involved is \$2,500 or less.
  2. A purchase of professional, creative and/or technical services involving a specialized level of expertise, use of professional judgment and/or a high degree of creativity.
    - a. The individual or company may be chosen based on qualifications to include, but not limited to, reliability, skill, education and training, experience, demonstrated effectiveness, judgment and integrity. These qualifications are not necessarily found in the individual or company that offers the lowest price.
    - b. Professional creative and/or technical services include, but are not limited to, (a) accounting (CPA), (b) architectural / design services, (c) customized software programming services, (d) consultants, (e) engineers, (f) instructors / teachers / training, (g) insurance coverage and/or insurance broker, (h) investment management services, (i) laboratory testing, (j) legal services and (k) medical / dental services.
    - c. Contracts for professional services are made in the best interest of the IDA, utilizing Requests for Quotations, Requests for Proposals or other competitive processes. The process must include negotiations on a fair and equal basis.
  3. When the purchase is necessitated by a bona fide and documented emergency. An exception may be made to the RFP and competitive process for emergency purposes if goods and/or services must be purchased immediately, and a delay to seek alternate proposals may threaten life, health, safety, property or welfare of the IDA.
  4. When the supply, equipment or material sought to be purchased is available only through a single source.
  5. Procurements for which the IDA's Board has waived competitive bidding by resolution.
  6. For true leases, but not financing leases.
  7. For purchase of insurance (requests for proposals or written or verbal quotations can serve as documentation of the process).
  8. For marketing services.

- D. The Chief Executive Officer shall implement the following procedure for the documentation of all procurements and maintain such documentation:
1. For all procurements, the Chief Executive Officer or designee shall set forth in writing the type of procurement made as well as the method of procurement used.
  2. For all procurements for which competitive bidding was not used, the Chief Executive Officer or designee shall document the basis for such determination and file such documentation with the purchase order or contract.
  3. For all procurements made not subject to competitive bidding, details surrounding the procurement, including the rationale as to why the procurement was not subject to competitive bidding.
  4. For all procurements awarded to other than the lowest cost quoted, details outlining the reason for doing so shall be maintained.
- E. The IDA shall capitalize all purchases in excess of \$2,500.