

ORDINANCE NO. _____

PURCHASING ORDINANCE

A. Designation of Purchasing Agency and Purchasing Agent

The Leo-Cedarville Town Council is hereby designated as the Purchasing Agency for the Town of Leo-Cedarville, and shall exercise all of the powers and duties authorized under I.C. 5-22 *et. seq.*

The Leo-Cedarville Town Council hereby designates the following officers as Purchasing Agents for the Town of Leo-Cedarville. All purchases by the Purchasing Agents must be in conformance with the Indiana Public Purchasing Law I.C. 5-22 *et. seq.* and with this Ordinance. The Purchasing Agents shall be authorized to make purchases within the limits prescribed below without Town Council approval.

Custodian:	Single Purchase Limit:	Monthly Aggregate Limit:
Clerk-Treasurer	\$1,000.00	\$2,000.00
Town Manager	\$1,000.00	\$2,000.00
Clerk-Treasurer & Town Manager jointly	\$5,000.00	\$10,000.00
Stormwater Clerk	\$150.00	\$150

Prior to any purchase or expenditure of funds, regardless of amount, the Purchasing Agent shall submit a triplicate copy of a Purchase Order Form (State Board of Accounts General Form 98, a sample of which is attached hereto) to the Clerk-Treasurer and obtain a written determination from the Clerk-Treasurer that there are sufficient funds available in the appropriate account to make the purchase. In the event that the Clerk-Treasurer determines that insufficient funds exist, the Clerk-Treasurer shall indicate on the face of the Purchase Order Form, that the purchase order is denied, and shall inform the Purchasing Agent of the unencumbered balance in the account. If there are sufficient funds in the account, the Clerk-Treasurer shall approve the purchase unless the Clerk Treasurer has notice that the Purchase in question would violate the law or this Ordinance.

If a Purchase Order is approved, the Purchase Order shall be given to the contract vendor and a copy shall be filed with the Purchasing Agent who made the purchase and a third copy shall be filed with the Town Clerk-Treasurer.

All purchases or expenditures that exceed the limitations set forth above shall require prior approval of the Town Council. In such event, the Purchase Order shall be submitted to the Clerk-Treasurer who shall distribute the Purchase Order to the Town Council at the next regularly scheduled meeting. Once approved by the Town Council, the Purchasing Agent may proceed with the purchase or expenditure as set forth herein.

Purchases may be made by a Purchasing Agent without prior Clerk-Treasurer or Town Council Approval only in the case of emergency situations requiring repairs to key systems or

facilities that, if not repaired, would be detrimental to town property, town employees, or the public, and it is not reasonably possible to obtain the approval of the Clerk-Treasurer or Town Council (as applicable). In the event of such an emergency, the Purchasing agent shall notify the Clerk-Treasurer of the emergency purchase or expenditure at the earliest possible date and shall provide the Clerk-Treasurer with a written Purchase Order for the purchase/expenditure.

The Clerk-Treasurer shall act as custodian over such Petty Cash Fund as set forth in the ordinance creating such fund, and all Purchasing Agents shall account to the Clerk-Treasurer for all funds expended from the Petty Cash fund on a periodic basis.

The Town Council retains the right to change this designation or to designate additional purchasing agents as necessary.

The following are the required purchasing rules for Leo-Cedarville, Indiana:

B. Purchase of United States Products Only

The Purchasing Agent shall purchase only supplies manufactured in the United States unless the Town Council determines that:

(A) the needed 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; or

(D) the purchase of supplies manufactured in the United States is not in the public interest.

C. Limitations on Purchasing Agent's Authority

The Purchasing Agent(s) may purchase small or emergency supplies of operating expense on behalf of the Town at his/her discretion, without first submitting a Purchase Order to the Clerk-Treasurer provided that the amount of the purchase does not exceed the amount maintained in a duly created Petty Cash Fund, over which the Purchasing Agent is a Custodian, and which is established for the purpose for which the expenditure is being made.

The Purchasing Agent shall obtain a receipt for each expenditure from the fund. The Purchasing Agent shall periodically file a claim with the Clerk-Treasurer, attaching with said claim original receipts totaling the cash claimed to be expended so that the Petty Cash Fund may be reimbursed for these expenditures. The claim for reimbursement of any fund shall be approved and made in the same manner as is required for other expenditures.

D. Bidding Requirements

1. Purchases Under \$50,000

The Purchasing Agent may purchase supplies with an estimated cost of less than \$50,000 on the open market without inviting or receiving quotes or bids.

2. Purchases Between \$50,000 and \$150,000

If the Purchasing Agent expects a purchase to be at least \$50,000, but not more than \$150,000, the Purchasing Agent may make the purchase by inviting three (3) quotes from persons known to deal in the types of supplies to be purchased.

The Purchasing Agent shall mail an invitation to quote to three persons of his choice at least seven (7) days before the time fixed for receiving the quotes. If the Purchasing Agent receives a satisfactory quote, he shall award the contract to the lowest responsible and responsive offeror. The Purchasing Agent may reject all quotes.

If the Purchasing Agent does not receive a quote from a responsible and responsive offeror, he may use the special purchasing methods set forth in I.C. 5-22-10-1 *et. seq.* to purchase the necessary supplies.

3. Purchases Over \$150,000

If the Purchasing Agent expects a purchase to be over \$150,000, he shall use the competitive bidding procedures set forth in I.C. 5-22-7 *et. seq.*

E. Purchases of Services

The Purchasing Agent may purchase services in whatever manner the Purchasing Agent deems reasonable. The Purchasing agent may purchase services on the open market without receiving quotes or bids. However, Purchase Orders shall be completed which shall identify the vendor.

F. Special Purchases

A special purchase of goods or supplies, where there exists an emergency condition, where there exists a unique opportunity to obtain supplies or services at substantial savings, or as otherwise allowed by I.C. 5-22-10. Special purchases may be made without soliciting bids or proposals, provided that it is made with such competition as is practical under the circumstances. The Purchasing Agent shall submit a written recommendation to the Town Council describing the basis for the award of contract. The Town Council may choose to accept the recommendation and award the contract, or may reject the recommendation. The Purchasing Agent shall comply fully with I.C. 5-22-10 when making a special purchase, and shall maintain

the contract records for a special purchase in a separate file which shall include a written determination of the basis for the special purchase and the selection of a particular contractor. Such file shall be maintained for a minimum of five (5) years and shall include the name of each contractor, the amount and type of each contract, and a description of the supplies purchased under each contract.

Passed and adopted by the Town Council of the Town of Leo-Cedarville, Indiana on this _____ day of January, 2012.

John Clendenen
President

Paul Steffens
Council Member

Tim Richards
Council Member

Ted Garton
Council Member

Kevin Veatch
Council Member

ATTEST:

John Eastes
Clerk-Treasurer