

Town of Hampton



TOWN OF HAMPTON NEW HAMPSHIRE

TOWN MANAGER'S POLICY

PURCHASE ORDER PROCEDURES

Authority

In accordance with the provisions of New Hampshire Revised Statutes Annotated Chapter 37, Section 6 the Town Manager hereby adopts a policy governing the purchase of supplies, materials and services, except legal services.

Purpose

The purpose of this policy is to implement the provisions of the Town Manager's Purchasing Policy and to provide guidance to the various officials, department heads and employees of the Town in the proper and required procedures governing the purchase of supplies, materials and services and the procedures to be adhered to in the administration of the Town's required purchase order procedures.

Section 1. Purchase Orders Required

All purchases for supplies, materials or services, other than legal services, shall require a properly signed and issued purchase order in advance of the acquisition of the supplies, materials or services procurement.

Purchase orders for the following items are not required:

- Utility bills
- Payroll Related Items
- Legal Bills
- Debt Service Payments
- Capital Lease Payments

Section 2. Purchase Order Signing Authority for Expenditures Not Exceeding \$1,000

The Town Manager, when he or she functions as a Department Head, and the Heads of the various Departments, Boards, Committees and Commissions who have appropriations approved by the Town Meeting or who have authority to expend funds from expendable special accounts created in accordance with applicable laws, have authority to issue, sign and authorize the expenditure of funds through the signature of purchase orders when the sum to be expended does not exceed \$1,000.00 for any one purpose.

Section 3. Purchase Orders exceeding \$1,000 but less than \$5,000

In addition to the signatures allowed under Section 2, purchase orders exceeding \$1000 but less than \$5,000 shall require the countersignature of the Town Manager, or in his or her absence by the Acting Town Manager, or in the absence of the Town Manager and Acting Town Manager, the Finance Director may countersign purchase orders.

Section 4. Purchases Exceeding \$5,000

No supplies, materials or services exceeding \$5,000 shall be purchased, ordered or received by any officer, department head or employee of the Town without the awarding of a contract in accordance with the public bidding or solicitation of a professional written proposal as required under the provisions of this Policy and the Purchasing Policy of the Town of Hampton. The signature of the Town Manager is necessary to award a purchase of supplies, materials or services governed by the aforesaid Purchasing Policy

Section 5. Exceptions

The requirement for public bidding may be excepted by the Town Manager where a contract has been awarded by the State of New Hampshire, the United State Government or any agency thereof, that is conditioned so that the Town of Hampton may utilize said contract for the purchase of supplies, materials or services without public bidding or the solicitation of professional proposals or where it can be demonstrated that the particular supplies, materials or services can only be provided by a single source supplier or where the Town Meeting specifically votes to purchase a particular supply, material or service or when there is a public emergency that requires immediate action to procure a particular supply, material or service.

Section 6. Emergencies

When the public health and welfare because of an emergency requires the immediate purchase of supplies, materials or services, the Board of Selectmen, Town Manager or individual department heads or the individual Boards, Committees or Commissions responsible shall have authority to purchase needed supplies, materials and services to meet the needs of the public emergency without the necessity of obtaining pre-approved

purchase orders. In such cases, purchase orders shall be completed following the emergency.

Section 7. Splitting Purchase Orders

Purchase orders may not be split and multiple purchase orders may not be issued for the purposes of evading the purchasing limits established within this policy or those contained within any Ordinance or Policy of the Town of Hampton.

Section 8. Completed Purchase Orders

Purchase orders shall be completed before they are issued and shall contain the following information: The name and address of the vendor; the name and address of the purchasing department; the location to which the supplies or materials are to be shipped; the quantity to be purchased; a description of the supplies, materials or services to be purchased or acquired; the cost of the supplies, materials or services to be purchased including any shipping expenses (note that the costs need not be exact if unknown but an estimate must be supplied by the vendor); the date issued; the authorized or required signatures.

Section 9. Purchase Order Distribution

Purchase orders following their completion and signature shall be distributed as follows: The original to the vendor; a copy to be retained by the issuing department and attached to the billing received from the vendor for payment; a copy to be forwarded to the Finance Department upon issuance of the completed purchase order.

Section 10. Expiration of Purchase Orders

Purchase orders once issued are valid for a period no longer than 6 months or until the expiration of the fiscal year of their issuance.

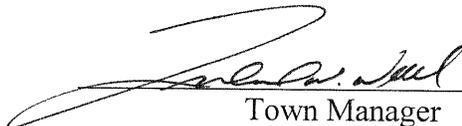
Section 11. Past Policies Repealed

The adoption of this policy automatically repeals any and all past policies that may have been or are currently in force.

Section 12. Effective Date.

This policy shall become effective upon its adoption.

2-25-08
Date Adopted


Town Manager