

## PURCHASING AND REIMBURSEMENT POLICY

This policy covers purchases made for regular Town operations. Purchases made under any grant programs must follow the requirements of the particular grant. Purchases made under any Stafford Act Grants including FEMA Public Assistance and Hazard Mitigation grants and Homeland Security grants must follow the Town's Procurement Policy for Grant Programs.

### GENERAL

For this policy, Board refers to Selectboard for Town purchases and Library Trustees for Library purchases.

The Town is tax-exempt. Any vendors should be given a tax-exempt certificate (available from the Treasurer) before purchases are made.

Sub-contractors providing services to the Town must provide a W-9 with tax ID number and an insurance certificate before doing work for the Town. The Selectboard shall determine what liability limits are required. If the contractor is self-employed and/or doesn't have insurance, and if acceptable to the Selectboard, they must sign a waiver (available from the Town Clerk) before work begins. Please note that the Town will have to pay the Workman's Compensation premium for any contractor that does not submit proof of Workman's Comp insurance.

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### PURCHASING AUTHORITY

Department heads are authorized to make purchases as follows:

Town Clerk/Town Treasurer: Authorized to make purchases for regular operating expenses that are within the budget; must get Board approval for items not in the budget, or for any purchase over \$500.00.

Road Foreman: Authorized to make purchases for regular operating expenses that are within the budget; must get Board approval for items not in the budget, or for any purchase over \$5,000.00.

Library Director: Authorized to make purchases for regular operating expenses that are within the budget; must get Board approval for items not in the budget, or for any purchases over \$1,500.00.

Town Boards, Committees and Commissions: Authorized to make purchases for regular operating expenses that are within the budget.

### REIMBURSEMENTS

If items are purchased by an individual on behalf of the town, an original receipt must be presented for reimbursement. Sales tax will not be reimbursed. The items purchased for the Town should be purchased and paid for separately from items purchased for personal use, so that a distinct receipt may be presented for reimbursement.

### FUNDRAISING

For a true accounting, all funds collected at an event must be turned in to the Treasurer. Expenses should be paid following the other provisions of this policy, and should not be paid in cash from the proceeds before the funds are turned in.

## **PAYMENTS**

No checks may be written, either for reimbursement or to pay an invoice, without first being approved by the Board. In addition, the department head or chair of the committee must approve the invoice and indicate the budget line item. In the interest of transparency, purchases shall be applied to the correct line item regardless of whether the budget for that line item has been exceeded.

If a check is needed at the time of service or purchase, prior approval must be obtained from the Board and documentation must be provided before the check can be written. Please find out from the Vendor exactly how the check is to be made out beforehand.