

## How We Buy at BWL

- **The BWL Procurement Policy** is based on a competitive bid process. Purchases are made on the basis of the best-evaluated bid, which may include quantity, quality, service (which includes delivery) competitive market prices, value added services, and risk assessment.
- BWL has high ethical standards. The provisions of the City of Lansing’s Ethics Ordinance cover doing business with the BWL.
- In accordance with the Ethics Ordinance, suppliers should not offer gifts to BWL employees. We prefer that incentives be expressed in terms of quality, service and bid price.
- Suppliers who are related to a BWL employee should contact Bruce Cook at (517) 702-6598 to discuss the Ethics Ordinance prior to doing any business with the BWL.
- All BWL employees are covered by the Ethics Ordinance and should contact Bruce Cook at (517) 702-6598 if they have an outside business.
- As a public agency, all business transactions are a matter of public record. Business should be conducted in a sincere, open and fair manner. It is expected that all pricing, service and delivery agreements will be adhered to.
- No materials may be shipped nor any service performed with a value over \$15,000 without competitive bids and a BWL purchase order. The preferred method of purchasing items and/or services with a value under \$5,000 is the BWL Procurement Card.

\$15,000 and Under	Bids are not required. The decision to obtain bids is up to the professional judgment of the buyer or BWL employee if using a procurement card.
Over \$15,000	Bids are required unless specifically exempted. Bids may be electronic, written or faxed.
Over \$100,000	Sealed written bids or proposals are required unless specifically exempted. A bid or proposal opening will be held.

## ***Types of Contracts***

The standard contract form used by the BWL for routine purchases is a Purchase Order. Non-standard contracts may be written for specific purchases. Purchasing issues all Purchase Orders.

Contracts are managed by a Buyer and normally involve sending a Contract Release Purchase Order document to the supplier when materials or services are required.

BWL suppliers shall prepay freight charges so that BWL does not receive a separate invoice from the freight company. Terms are FOB Destination, Freight Prepaid.

The BWL is not responsible for payment of unauthorized purchases made without a Purchase Order or in violation of our Procurement Card policy.

## ***Procurement Cards (Credit Cards)***

To increase efficiency and reduce administrative overhead, the BWL prefers to make small dollar purchases with our corporate credit cards (called PCards). PCards can also be used for larger purchases with special arrangements through a BWL Buyer. The credit card is to be used only by the named cardholder. The cardholder may NOT make personal purchases on the card.

## ***Insurance Requirements***

Certificates of insurance evidencing the following coverage are required from all suppliers performing services on the premises of the BWL: Commercial general liability and auto liability insurance with minimum limits of \$1,000,000 each occurrence, and naming BWL as an additional insured, and Workers' compensation coverage in accordance with the laws of the State of Michigan.

## ***Invoice Processing***

All invoices are processed through Financial Services, Accounts Payable department. If there are any questions concerning invoice processing please direct them by e-mail to [bwlinvoices@lbwl.com](mailto:bwlinvoices@lbwl.com).

## ***Deliveries***

*All deliveries should be made to the BWL Delivery Location specified on the Purchase Order. The BWL purchase order number and the name of the BWL employee who placed the order must appear on all shipments, delivery slips, and invoices.*