

# Purchasing Department

## Mission

*Assure efficiency and legal compliance for everything the City of Newton buys.*



CITY OF NEWTON  
1000 COMMONWEALTH AVENUE  
NEWTON, MA 02459  
PHONE: 617-796-1220  
FAX: 617-796-1227

Tax Exempt No. 046-001-404

Instructions to vendor  
1. Submit original &  
2. Submit separate  
3. Note terms and

Purchase Order Date	Date Required	Requisition No.	Vendor No.
02/22/19		1903642	11790

VENDOR:

MINUTEMAN TRUCKS, INC  
2181 PROVIDENCE HWY

The Purchasing Department is entrusted with assuring that City supplies and services are procured efficiently and in accordance with law. It works with Departments to ensure specifications are precisely written and fully advertised to allow fair and open competition. This is done for all City Departments, including the Newton Public Schools. The Department works cooperatively with requesting Departments, as successful purchasing is a team effort.

The Department has established policies for orderly procurements and seeks to assist departments on their application. Our policy is to avoid buying on exceptions and accommodations here and there; the process would soon become chaotic. Purchasing does not seek "to create a tangle of red tape or technical pitfalls." Rather its goal is "to proscribe an orderly framework for awarding contracts through an open and competitive process ...." This guarantees best value for the City and its taxpayers and fairness to our suppliers and contractors.

One principle applies to all procurements: the City uses open, fair competition. Therefore, all procurements are made using sound business practices, solicitation of quotes, invitations for bid (IFBs), or requests for proposals (RFPs).

The Purchasing Department works hard to teach City employees best practices for procurement. Education initiatives include the annual Procedures For Departmental Purchasing (5th ed.) (a/k/a the Red Book), a monthly Newsletter called Nick's Notes, participation in HR orientation programs for new employees, and departmental visits.

The Mail Room and Print Shop are also part of the Purchasing Department. The Print Shop provides services to virtually all City Departments, including Treasury, Retirement, City Clerk, Library, DPW, Fire and Parks & Recreation. Our mission is to provide mail and print services efficiently, responsibly and in a timely manner.

The Purchasing Department provides essential procurement, print and mail services to City Departments and procurement services to the Newton Public Schools (NPS). While the Department has no public face, as its customers are internal, its operation affects every Department every day.

Significant accomplishments include:

- Worked with departments and private designers to manage the advertising, issuing, intake and management of Invitations For Bids and Request For Proposals.
- Maintained the City vendor tax information data base and the issuance of vendor numbers.
- Corrected and approved approximately 6,000 requisitions and converted approved requisitions into purchase orders.
- Printed and mailed all City purchase orders
- Issued the annual edition of "Procedures For Departmental Purchasing", a manual of purchasing procedures, to City Councilors, Department Heads, City and NPS employees. It is also used by purchasing officials in other Massachusetts cities and towns.
- Issued a monthly newsletter on procurement topics to City Councilors, Department Heads and internal and external subscribers.
- Taught a class entitled "Being a CPO" at the Massachusetts Office of Inspector General and was recertified as an MCPPO.
- Participated in new employee training through the HR orientation program.
- Participated in transition training for changeover to MUNIS on July 1, 2019.
- Maintained and upgraded Print Shop and Mail Room equipment; purchased a new folding machine; and undertook a needs assessment for a new folder/stuffer/sealer.

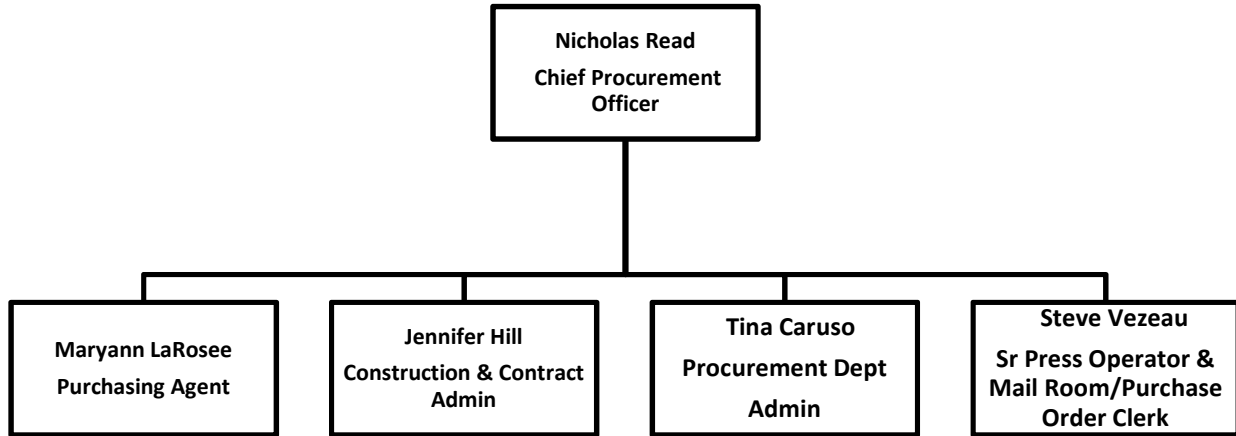
With respect to the last item, \$4,400 has been added into FY2020's budget to cover the anticipated annual cost of a 5-year folder/stuffer/sealer equipment lease.

Purchasing has set a standard of integrity in public procurement while assisting departments to navigate law and policy. We will continue to provide this high level of service into FY20.

A handwritten signature in black ink that reads "Nicholas Read". The signature is written in a cursive, slightly slanted style.

Nicholas Read  
Chief Procurement Officer

# PURCHASING



# Financial and Operating Highlights

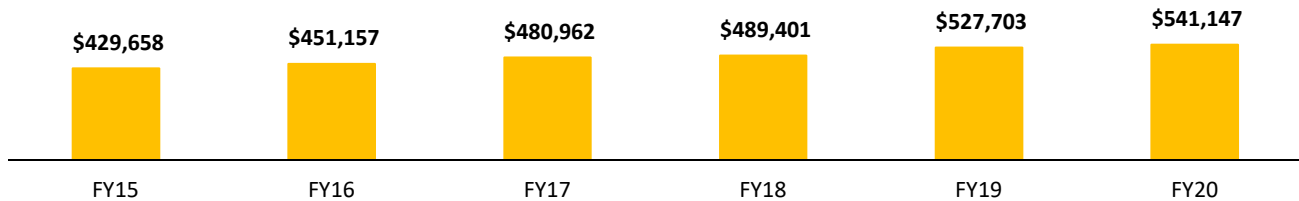
## Financial Highlights

	Actual			Adj Budget		Proposed
	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
<b>Expenditure by Department</b>						
Purchasing	\$ 339,453	\$ 357,558	\$ 361,248	\$ 373,153	\$ 395,385	\$ 402,152
Telecomm	\$ 11,882	\$ 6,370	\$ 8,427	\$ (1,959)	\$ -	\$ -
Printing	\$ 78,323	\$ 87,229	\$ 111,287	\$ 118,207	\$ 132,318	\$ 138,995
<b>Total</b>	\$ 429,658	\$ 451,157	\$ 480,962	\$ 489,401	\$ 527,703	\$ 541,147
<b>% Incr</b>		5.00%	6.61%	1.75%	7.83%	2.55%

## Personnel

Full-Time	5	5	5	5	5	5
Part-Time	0	0	0	0	0	0
<b>Total</b>	5	5	5	5	5	5

## Total Purchasing Department Expenditures



## Operating Highlights

	FY18	FY19 YTD
<b>Purchasing</b>		
Invitations For Bids (Number)	107	52
Requests For Proposals (Number)	10	7
Bids & RFPs (Aggregate Value)	\$28,555,783	\$19,545,565
Bids & RFPs (Potential Savings)	\$4,613,890	\$5,773,745
Requisitions (Number)	5,315	3,490
Requisitions (Aggregate Value)	\$24,416,910	\$11,704,442

## Print Shop

Black & White Copies	633,576	349,993
Color Copies	1,146,466	531,285
<b>Total All Copies</b>	<b>1,780,042</b>	<b>881,278</b>

## Mail Room

Number of Items Mailed	179,967
Total Cost of Mailings	\$103,574

# Purchasing Department

## Fiscal Year 2020 Outcomes and Strategies

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### Outcome 1

#### Participate in Conversion from FinancePlus to MUNIS

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For many years, the City and Newton Public Schools (NPS) have managed requisitions, purchase orders, their storage, and accounting using FinancePlus software. The City has made the strategic decision to transfer all operations to MUNIS, an alternative financial software system.

The City's financial software is used by the Purchasing Department daily in many ways, so the conversion to a new system will be comprehensive and present issues, anticipated and unanticipated. The conversion will take place on July 1, 2019. Our goal is to seamlessly integrate the Purchasing Department into MUNIS.

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Independent but related to the MUNIS conversion, the Purchasing Department will convert transmission of purchase orders (POs) electronically rather than by mail. Currently 4 copies of each PO are printed, one each for the Department, the Comptroller, the Purchasing Department and the vendor. The vendor copy is mailed to the vendor. Storage of paper records and postage cost are required.

By digitizing the whole process, all POs can be stored and delivered electronically. Since the digital records will be searchable, all POs (and attachments) can be filed more efficiently. The City will also realize significant postage cost savings by transmitting POs electronically.

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### Outcome 2

#### Switch to Electronic Purchase Orders

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### Outcome 3

#### Continue and Expand Education Initiatives

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Legal requirements, policies and procedures apply to all City and NPS procurements. The Purchasing Department itself buys next to nothing; its purpose to assure that the Departments that are doing the purchasing know the applicable rules. Rules are easier

to remember and follow if one knows why the rule is there in the first place.

With this in mind, the Purchasing Department has initiated outreach to departments, both to make the Purchasing Department accessible and to transmit information and experience. To this end, we have issued a buying manual (Procedures For Departmental Purchasing) which describes in easy to follow detail all the steps necessary for the smallest to the largest procurement. A monthly newsletter is also

# Purchasing Department

## Fiscal Year 2020 Outcomes and Strategies

published, highlighting a topic or issue that arose in the previous month. Nick participates in the HR orientation program and visits departments.

A goal for FY20 is to continue these initiatives, and expand them to the extent practicable.

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The Mail Room and Print shop function in tandem. In the last full calendar year, 179,697 items were metered for mailing and 1,780,042 items were printed (1,146,466 B&W and 633,576 color). In the Mail Room the City also has a folder/stuffer/sealer (FSS) that the City purchased in 2013 for \$17,816. The FSS is staffed by Purchasing and Treasury.

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### Outcome 4

#### Upgrade Print Shop Equipment

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While for most mail and print functions, the City has backup options, this is not the case with the FSS, with the result that regular payroll, retirement benefit and vendor payment mailings are delayed or done by hand when the machine is down. Given that the current machine is aging, an analysis will be done to determine whether to buy or lease a new machine. The current machine can be kept for back up.

FUND: 01 - GENERAL FUND  
DEPARTMENT: 105 - PURCHASING

CITY OF NEWTON BUDGET  
DEPARTMENT LEGAL LEVEL OF CONTROL

	ACTUAL 2017	ACTUAL 2018	AMENDED 2019	YTD 4/11/2019	RECOMMENDED 2020	CHANGE 2019 to 2020
<b>PURCHASING SUMMARY</b>						
51 - PERSONAL SERVICES	348,168	363,446	377,820	290,079	384,726	6,907
52 - EXPENSES	47,258	41,361	58,850	37,818	63,250	4,400
57 - FRINGE BENEFITS	85,535	84,594	91,033	70,188	93,170	2,138
<b>TOTAL DEPARTMENT</b>	<b>480,961</b>	<b>489,401</b>	<b>527,703</b>	<b>398,085</b>	<b>541,147</b>	<b>13,444</b>
<b>PURCHASING</b>						
51 - PERSONAL SERVICES	283,306	295,719	310,014	237,039	315,101	5,088
52 - EXPENSES	12,714	12,849	16,350	9,160	16,350	0
57 - FRINGE BENEFITS	65,228	64,586	69,021	53,607	70,700	1,679
<b>TOTAL PURCHASING</b>	<b>361,248</b>	<b>373,153</b>	<b>395,385</b>	<b>299,806</b>	<b>402,152</b>	<b>6,767</b>
<b>TELECOMMUNICATIONS</b>						
52 - EXPENSES	8,427	-1,959	0	-1,197	0	0
<b>TOTAL TELECOMMUNICATIONS</b>	<b>8,427</b>	<b>-1,959</b>	<b>0</b>	<b>-1,197</b>	<b>0</b>	<b>0</b>
<b>PRINTING</b>						
51 - PERSONAL SERVICES	64,863	67,727	67,806	53,040	69,625	1,819
52 - EXPENSES	26,116	30,472	42,500	29,854	46,900	4,400
57 - FRINGE BENEFITS	20,308	20,008	22,012	16,581	22,470	458
<b>TOTAL PRINTING</b>	<b>111,287</b>	<b>118,207</b>	<b>132,318</b>	<b>99,475</b>	<b>138,995</b>	<b>6,677</b>

FUND: 01 - GENERAL FUND  
DEPARTMENT: 105 - PURCHASING

CITY OF NEWTON BUDGET  
DEPARTMENTAL DETAIL

	ACTUAL FY2017	ACTUAL FY2018	AMENDED 2019	YTD 4/11/2019	RECOMMENDED 2020	CHANGE 2019 to 2020
<b>105 - PURCHASING</b>						
<b>0110501 - PURCHASING</b>						
<b>PERSONAL SERVICES</b>						
511001 FULL TIME SALARIES	278,581	288,869	303,864	230,109	308,951	5,088
513001 REGULAR OVERTIME	225	0	0	180	0	0
514001 LONGEVITY	3,500	5,150	5,150	5,150	5,150	0
515005 BONUSES	0	700	0	600	0	0
515102 CLEANING ALLOWANCE	1,000	1,000	1,000	1,000	1,000	0
<b>TOTAL PERSONAL SERVICES</b>	<b>283,306</b>	<b>295,719</b>	<b>310,014</b>	<b>237,039</b>	<b>315,101</b>	<b>5,088</b>
<b>EXPENSES</b>						
52401 OFFICE EQUIPMENT R-M	1,064	160	2,000	179	2,000	0
53401 TELEPHONE	485	432	500	262	500	0
5341 POSTAGE	1,922	2,054	2,500	1,582	2,500	0
5342 PRINTING	141	704	1,000	0	1,000	0
5343 ADVERTISING/PUBLICATIO	5,110	5,139	5,000	2,689	5,000	0
5420 OFFICE SUPPLIES	3,141	3,435	3,500	3,205	3,500	0
5710 VEHICLE USE REIMBURSE	150	13	94	138	0	-94
5711 IN-STATE CONFERENCES	0	0	656	275	1,250	594
5730 DUES & SUBSCRIPTIONS	701	912	1,100	831	600	-500
<b>TOTAL EXPENSES</b>	<b>12,714</b>	<b>12,849</b>	<b>16,350</b>	<b>9,160</b>	<b>16,350</b>	<b>0</b>
<b>FRINGE BENEFITS</b>						
57DENTAL DENTAL INSURANCE	1,552	1,615	1,680	1,291	1,746	66
57HLTH HEALTH INSURANCE	54,446	53,399	58,888	44,428	60,067	1,179
57LIFE BASIC LIFE INSURANCE	227	227	228	170	228	0
57MEDA MEDICARE PAYROLL TAX	3,631	3,789	4,394	2,998	4,569	175
57OPEB OPEB CONTRIBUTION	5,372	5,557	3,831	4,720	4,090	259
<b>TOTAL FRINGE BENEFITS</b>	<b>65,228</b>	<b>64,586</b>	<b>69,021</b>	<b>53,607</b>	<b>70,700</b>	<b>1,679</b>
<b>TOTAL PURCHASING</b>	<b>361,248</b>	<b>373,153</b>	<b>395,385</b>	<b>299,806</b>	<b>402,152</b>	<b>6,767</b>
<b>0110502 - TELECOMMUNICATIONS</b>						
<b>EXPENSES</b>						
53401 TELEPHONE	188	-449	0	-98	0	0
53402 CELLULAR TELEPHONES	8,239	-1,510	0	-1,099	0	0
<b>TOTAL EXPENSES</b>	<b>8,427</b>	<b>-1,959</b>	<b>0</b>	<b>-1,197</b>	<b>0</b>	<b>0</b>
<b>TOTAL TELECOMMUNICATIONS</b>	<b>8,427</b>	<b>-1,959</b>	<b>0</b>	<b>-1,197</b>	<b>0</b>	<b>0</b>



<b>CITY OF NEWTON BUDGET DEPARTMENTAL DETAIL</b>
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	ACTUAL FY2017	ACTUAL FY2018	AMENDED 2019	YTD 4/11/2019	RECOMMENDED 2020	CHANGE 2019 to 2020
<b>0110503 - PRINTING</b>						
<b>PERSONAL SERVICES</b>						
511001 FULL TIME SALARIES	63,331	65,326	65,306	51,240	67,125	1,819
513001 REGULAR OVERTIME	131	551	1,000	0	1,000	0
514001 LONGEVITY	900	1,000	1,000	1,000	1,000	0
515005 BONUSES	0	350	0	300	0	0
515101 CLOTHING ALLOWANCE	500	500	0	500	0	0
515102 CLEANING ALLOWANCE	0	0	500	0	500	0
<b>TOTAL PERSONAL SERVICES</b>	<b>64,863</b>	<b>67,727</b>	<b>67,806</b>	<b>53,040</b>	<b>69,625</b>	<b>1,819</b>
<b>EXPENSES</b>						
52401 OFFICE EQUIPMENT R-M	6,768	11,749	5,600	4,592	10,000	4,400
5274 RENTAL - EQUIPMENT	17,347	17,665	30,400	27,488	30,400	0
5341 POSTAGE	2,737	7,750	1,000	6,450	1,000	0
5501 PRINTING SUPPLIES	-846	-7,139	5,000	-8,784	5,000	0
5581 UNIFORMS/PROTECTIVE	110	446	500	109	500	0
<b>TOTAL EXPENSES</b>	<b>26,116</b>	<b>30,472</b>	<b>42,500</b>	<b>29,854</b>	<b>46,900</b>	<b>4,400</b>
<b>FRINGE BENEFITS</b>						
57DENTAL DENTAL INSURANCE	517	538	560	430	582	22
57HLTH HEALTH INSURANCE	18,938	18,574	20,483	15,453	20,893	410
57MEDA MEDICARE PAYROLL TAX	852	896	969	697	995	26
<b>TOTAL FRINGE BENEFITS</b>	<b>20,308</b>	<b>20,008</b>	<b>22,012</b>	<b>16,581</b>	<b>22,470</b>	<b>458</b>
<b>TOTAL PRINTING</b>	<b>111,287</b>	<b>118,207</b>	<b>132,318</b>	<b>99,475</b>	<b>138,995</b>	<b>6,677</b>
<b>TOTAL PURCHASING</b>	<b>480,961</b>	<b>489,401</b>	<b>527,703</b>	<b>398,085</b>	<b>541,147</b>	<b>13,444</b>