

any other deposit or other liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

VIII. PROCUREMENT POLICY

A. Introduction

1. Scope - In accordance with the IDA Act and pursuant to Section 104-b of the GML referred to therein, IDAs must adopt procurement policies which will apply to the procurement of goods and services not subject to the competitive bidding requirements of Section 103 of the GML and paid for by an IDA for its own use and account.
2. Purpose - Pursuant to Section 104-b of the GML, the primary objectives of this policy are to assure the prudent and economical use of public monies in the best interests of the taxpayers of a political subdivision or district, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances and to guard against favoritism, improvidence, extravagance, fraud and corruption.

B. Procurement Policy

1. Determination Required - Prior to commencing any procurement of goods and services, the President or an authorized designee shall prepare a written statement setting forth the basis for (1) the determination that competitive bidding is not required for such procurement, and if applicable (2) the determination that such procurement is not subject to any requirements set forth in this policy. Such written statements shall be maintained by the President or such authorized designee in a specially designated procurement file.
2. Procedure for determining whether Procurements are subject to Competitive Bidding - The procedure for determining whether a procurement of goods and services is subject to competitive bidding shall be as follows:
 - a. The President or an authorized designee shall make the initial determination as to whether competitive bidding is required. This determination will be based on Section 103

- c. \$3,001 - \$10,000 Written/fax quotations from at least three vendors.

- 5. Procedures for the Purchase of Public Works or Services under \$20,000.
 - a. Up to \$1000 The discretion of the President or authorized designee.
 - b. \$1,001 - \$5,000 Documented verbal quotations from at least three vendors.
 - c. \$5,001 - \$20,000 Written/fax quotations from at least three vendors.

- 6. Basis for the Award of Contracts - Contracts will be awarded to the lowest responsible vendor who meets the specifications.

- 7. Circumstances justifying an Award to other than the Lowest Cost quoted.
 - a. Delivery requirements
 - b. Quality requirements
 - c. Quality
 - d. Past vendor performance
 - e. The unavailability of three or more vendors who are able to quote on procurement.
 - f. It may be in the best interests of the Agency to consider only one vendor who has previous expertise with respect to a particular procurement.

- 8. Documentation
 - a. For each purchase made the President or authorized designee shall set forth in writing the category of procurement that is being made and what method of procurement is specified.

- b. The basis for any determination that competitive bidding is not required shall be documented, in writing, by the President or such authorized designee, and filed with the purchase order or contract therefore.
 - c. For those items not subject to competitive bidding such as professional services, emergencies, purchased under city contracts or procurements from sole sources, documentation should include a memo to the files which details why the procurement is not subject to competitive bidding and include, as applicable:
 - (1) a description of the facts giving rise to the emergency and that they meet the statutory criteria; or
 - (2) a description of the professional services; or
 - (3) written verification of city contracts; or
 - (4) opinions of Counsel, if any; or
 - (5) a description of sole source items and how such determinations were made.
 - d. Whenever an award is made to other than the lowest quote the reasons for doing so shall be set forth in writing and maintained in the procurement file.
 - e. Whenever the specified number of quotations cannot or will not be secured, the reasons for this shall be indicated in writing and maintained in the procurement file.
9. Exceptions to Bidding
- a. Emergency Situation – An emergency exists if the delay caused by soliciting quotes would endanger the health, welfare or property of the municipality or of the citizens. With approval by the President such emergency shall not be subject to competitive bidding or the procedures stated above.
 - b. Resolution Waiving Bidding Requirements – The Agency may adopt a resolution waiving the competitive bidding requirements whenever it is determined to be impracticable.
 - c. Sole Source – Defined as a situation when there is only one possible source from which to procure goods and/or services and it is shown that the item needed has unique benefits, the cost is reasonable for the product offered and there is no competition available. In this situation, a request for a resolution waiving bidding requirements, as described above, is required

- d. True Lease – Prices will be obtained through quotations whenever possible. The award shall be made on the basis of goods and/or services to be provided, ability to meet the specifications desired and price.
 - e. Insurance – All insurance policies shall be procured in accordance with the following procedures:
 - (1) Premium less than \$10,000 – documented telephone quotations from at least three agents (if available).
 - (2) Premium over \$10,001 – written quotations/fax or proposals from at least three agents (if available).
 - f. Professional Services – This category includes services which require special education and/or training, license to practice or are creative in nature. Examples of professional services are: lawyers, doctors, accountants, engineers, artists, etc. For the procurement of professional services, the procedures set forth in Exhibit B shall apply.
- 10. Minority and Women Business Enterprises – The Agency shall comply with all applicable legal requirements relating to the hiring of such businesses.
 - 11. Input from members of the Agency – Comments concerning the procurement policy shall be solicited from the members of the Agency from time to time.
 - 12. Annual Review – the Agency shall annually review its policies and procedures.
 - 13. Unintentional Failure to Comply – The unintentional failure to comply with the provisions of Section 104-b of the GML shall not be grounds to void action taken or give rise to a cause of action against the Agency or any officer thereof.
 - 14. Other Requirements
 - a. All bidders must submit with any bid a Statement of Non-Collusion in the form approved by the Agency.
 - b. All procurement solicitations shall include a summary of the Agency's procurement policies and prohibitions in a clear and concise manner so any bidder or provider of goods or services is aware of the requirements for being considered as well as being awarded any bid.

- c. The person authorized to be the contact for the Agency in all procurement matters shall be as set forth in PAL Section 139-j(2)(a) and activities of such contact person shall be reviewed on at least an annual basis by the Agency to make certain said contact person is in fully compliance with all provisions of law concerning procurement of goods or services.
- d. No proposed provider of goods or services to the Agency shall be permitted to have any unauthorized contact with the Agency in contravention of PAL Section 139-j(10). Each employee or representative of the Agency shall report any such unauthorized contact immediately to the Agency General Counsel. Said General Counsel shall investigate any such allegation of unauthorized contact and report in writing the findings to the Agency CEO and Chairperson of the Governance Committee.

IX. FINANCIAL RECORDS

A. Maintaining Financial Books and Records

All books and records of accounts, including, but not limited to, checks, drafts, or orders for the payment of money, notes, or other financial records as well as any and all minutes of meetings and other records of projects shall be maintained by the Agency for a period of seven (7) years from the date of such documents. Thereafter, such records shall be destroyed by the Agency except for Closing Binders or closing summaries of approved projects that have been successfully completed by the Agency. Those Closing Binders or records shall be maintained as long as the Bond for the project remains unpaid. The Agency shall otherwise keep correct and complete minutes of the proceedings of its Members and Committees for as long as the Agency is in existence.

X. COMPENSATION, REIMBURSEMENT AND ATTENDANCE POLICY

Pursuant to and in accordance with Sections 856 and 903 of the General Municipal Law of the State of New York, the members of the board of the City of Yonkers Industrial Development Agency (the "Board") shall serve without salary at the pleasure of the Mayor of the City of Yonkers, New York (the "City") but may be reimbursed for reasonable expenses incurred in the performance of Agency duties at the approval of the Board.

The officers, employees and agents of the Agency shall serve at the pleasure of the Agency at such compensation levels as may be approved by the Board from time to time and may be reimbursed for reasonable expenses incurred in the performance of Agency duties at the approval of the Board. Nothing herein shall be construed to permit the extension of credit to Board members, Officers or