

Recommendations for Smart Procurement

2010 Association of Towns Annual Finance School

A major topic at this years annual meeting focused on purchasing and various methods used to gain leverage, reduce cost and maintain control.

The Office of the State Comptroller presented an information session and recommendations for "Smart Procurement". Various methods were detailed including proper contracting techniques, RFP procedures and controlling departmental expenditures.

As many of our clients know (and have taken advantage of) Enhanced Business Systems offers a fully integrated Purchase Order module. Several features are listed below:

- Requisitions can be submitted by departments prior to actual purchase. Once approved, requisitions are automatically "cloned" into purchase orders.
- Track request for purchase by individual or department. Authorize specific individuals who can expend municipal monies and assign dollar limits based on internal policies.
- Once materials have been received (and ok'd) respective purchase orders can easily be "cloned" into accounts payable invoices with the click of a button.

Maintaining accountability and controlling expenses is always important. Want to check out an easy way to do both? Give us a call, we'll get you started.



Finance school presentations

We sat in on several of the presentation held at the Saratoga location and found most to be very informative and easy to understand. Here's some of what was presented:

- Town Budget ▪ Budget Preparation Workshop ▪ Smart Procurement
- Request for Proposals ▪ Guide to Shared Services ▪ Cost Cutting and Control
- Best Practices During Fiscal Stress

As you can tell, much of the emphasis and recommendations centered on control methods and related processes. Much of the information presented can be obtained by contacting the Comptroller's Office or the Association of Towns.

A recap from this month's newsletter

We feel a need to reinforce the results of an audit experienced by one of our clients recently. We are repeating the information to help insure that other clients don't make the same mistakes.

"One of our clients was recently audited. A major hit was the lack of control on purchase authorizations". It seemed that everyone was buying goods and services without seeking prior approval. The auditor recommend a "purchase requisition & order" system. Our purchase order module fit the bill. The client in question is now able to determine who's request-ing the product, at what cost and from whom.....prior to committing the actual purchase!"

Whether your municipality utilizes a formal procurement system or not, common sense "audit and control" measures are essential to good purchasing practices.