

**GREEN PURCHASING:** *Environmentally preferable and legitimately sustainable*

**Presenter:** Norman Eckstein CMFO, CTC, MPA, RMC

**Learning Objectives:**

After completing the seminar participants will:

- Understand that Green Purchasing is environmentally preferable purchasing that relates to all relevant costs from “cradle to grave”;
- Learn about Alternative Powered Vehicles and Clean Energy;
- Make a commitment to utilize and teach Green Purchasing methods in their municipality; and
- Determine how to motivate colleagues and subordinates to employ Green Purchasing techniques in their day-to-day operations.

**Course Description:**

Green Purchasing (Environmentally Preferable Purchasing) has been a recent trend in the procurement processes at all levels of government. In order for appointed and elected government officials to embrace this new approach they might need to consider different budgeting methods. Traditionally, the budget process has been dominated by Line Item Budgeting which entails a comparison between the financial data for the past accounting or budgeting periods and estimated figures for the current or a future period.

In the line item approach, if a particular item’s budget seems to have escalating costs, there is a tendency to reduce or just entirely eliminate this line item. Unfortunately, this same scenario might happen to Green Purchasing. Initial efforts to implement Green Purchasing might result in higher costs. However, there will be intangible benefits associated with Green Purchasing that successfully address the ever important need to sustain the our environment.

Furthermore, Green Purchasing is more consistent with capital budgets, compared to the operating budgets. Specifically, the benefits and costs are spread over future generations. In addition, the policy makers need to examine the cost of a product through its useful life. All relevant costs from “cradle to grave” must be considered. Such costs include: initial upstart, operating, maintenance, depreciation, upgrade and disposal costs.

These costs will be further examined with case studies during the seminar. The first category of case studies would include Alternative Powered Vehicles. Such vehicles do not exclusively depend upon petroleum. Instead, these vehicles operate under electric power or solar power. The advantages and disadvantages for Alternative Powered Vehicles will be presented during the seminar. A similar analysis would apply to the category of case studies involving Clean Energy. Such energy sources include: geothermal, hydro, nuclear, solar and wind.

The seminar will emphasize how to educate and motivate employees on the importance of Green Purchasing as the new “Environmentally Preferable Purchasing.” Topics of discussion will include whether incentive pay is a feasible option. Here, employees would be “compensated” for demonstrating environmental sustainable work habits.

At the conclusion of the seminar there will be a discussion on whether a municipality would attract new residents because of its embracing of the environmentally preferable practices of Green Purchasing; a distinction usually reserved for good schools, safe streets and affordability.

As a means to evaluate the students, the instructor will ask the seminar participants to **briefly** write about:

- How they can relate one of the above topics to their work experiences.

**OR**

- Something that they learned for the first time during the seminar.

Time will be allocated at the end of the seminar for this learning activity.