 <p><b>Policy</b></p>	Policy:	Volume X: Board of Directors
	Subject: Procurement of Supplies, Equipment, Materials and Services	
	Effective Date: May 1, 2018	Revision Date: April 2018
	Approved By: Board of Directors	

**Purpose**

Establishes policy and procedure for the procurement of supplies, equipment, materials and services necessary for the effective and efficient provision of services to the community and applies to all personnel directly or indirectly involved with the procurement of such supplies, equipment, materials or services for the Superstition Fire & Medical District (SFMD).

**General**

It is the fiduciary responsibility of SFMD's Board of Directors (BOD) to ensure that public funds are expended in such a manner that best benefits the public and the community. To accomplish this, the Fire Chief develops a budget document each fiscal year for BOD adoption. The budget document establishes the public policy of SFMD through the allocation of public funds. The Fire Chief is responsible to ensure that the expenditure of public funds throughout the fiscal year coincides with the BOD's public policy initiatives.

**Policy**

It is the policy of SFMD to ensure that all expenditures for the procurement of supplies, equipment, materials and services are authorized in the SFMD budget, properly encumbered and accounted for, and that a complete history of each expenditure transaction is established. Public employees must discharge their duties impartially so as to assure fair competitive access to governmental procurement by responsible contractors. Moreover, they should conduct themselves in such a manner as to foster public confidence in the integrity of SFMD. Violation of these regulations and the policy shall carry such penalties as may be applicable under state laws and in accordance with SFMD personnel policies.



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## Procedure

### **A. Procurement – Quotes / Written Bids**

1. Up to \$749 – No quote needed. Purchase Order (PO) required (see “C” below).
2. \$750 - \$1,999 - Three (3) “Documented” quotes to be attached to PO (“Documented quotes” can be printouts from computer sites showing 3 places where items were priced and compared).
3. \$2,000 and Greater – Three (3) written bids to be attached to procurement form, and attached to the PO.

NOTE: The Board has complete authority to mandate whether or not a competitive, sealed bid is to be used for any purchase.

### **B. Authorized Personnel - Signatures**


1. Up to \$1,999 - Budget Managers, Battalion Chiefs, Executive Assistants, Fleet Manager, Fleet & Facilities Support Specialist, and HR Generalist (Individually).
2. \$2,000 - \$24,999 – Finance Director, and a one of the following: Fire Chief or Assistant Chief.
3. \$25,000 and Greater - Fire Chief, Assistant Chief, Finance Director, **AND BOD Approval.**

### **C. Purchase Order (PO) Methods**

#### **1. Standard PO - Regardless of dollar amount**

**A PO must be completed for each procurement request, and signed by originator.**

It is SFMD's intent that a PO be prepared completely with all required approval signatures prior to the purchase of goods or services. However, in instances where an item (goods or service) is needed for SFMD to protect the public, an approved PO can (and must) be submitted after the purchase has occurred. The buyer/purchaser is to ensure all applicable taxes and fees are included in the total amount of expenditure documented in the PO. Each purchase shall be made from the vendor offering the lowest responsible price quote. "Responsible" is defined as the best combination of price, warranty, locale, compatibility and/or cost of repair. On all purchases, the buyer should take into consideration warranty, local businesses and workmanship. If the lowest bid isn't the best value for SFMD, the buyer is to bring forward supporting documentation as to why a higher bid should be considered.

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When using State Contracted vendors, items \$5,000 or greater, must still follow the three (3) written bid process. If a vendor comes in with a lower responsible quote, they can be used even though they are not State Contracted.

**2. Annual PO**

An Annual PO is used for a procurement which is recurring, frequent, or monthly from a specific vendor during the fiscal year. An Annual PO number will be issued by Accounting to the awarded vendor and will be utilized throughout the fiscal year. This method does not preclude competitive quote and bid requirements. This method only applies to the procurement of supplies equipment, materials and services as described on the Annual PO(s).

**3. Contract PO**

A Contract PO is used for the procurement of goods or services through competitive bidding for a specific term per the contract. A Contract PO number will be issued by Accounting for the awarded contract vendor/agency and will be utilized throughout the contract term date.

**D. Waiver of Competition**

Although competition may be waived pursuant to this section, the use of competition is required wherever practical. Competition (quotes/bids) may be waived for the following conditions:

- Government , State Contract & Inter-Governmental Agency Agreement **(Contract # and Agency must be on PO)**
- Single source procurement **(attach supporting information)**
- Emergency action **(explanation to Governing BOD within 72 hours)**
- Competition solicited with no offers
- Standardization/Compatibility requirements
- Education, training, experimental, developmental, research work
- Equipment already installed , connected, and in service, and it is determined advantageous to purchase equipment
- Items are subject to rapid price fluctuation or immediate acceptance (attach supporting information)



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**E. Other Mean of Procuring Goods and Services**

**1. Credit Card**

The use of Credit Cards must follow all Procurement Policy guidelines as listed above. A PO **must** be prepared for all credit card purchases and all appropriate receipts must be provided to Accounting.

**2. Expense Reimbursement**

Employees seeking reimbursement for required and authorized expenditures must:

- Complete a SFMD Personal Expense Reimbursement Form.
- Attach all receipt(s) to the form.
- If mileage, a map with miles to and from must be attached.
- Must have Department Head approval prior to submission to Accounting for payment.

Expense reimbursement payments will be made at the amounts set by federal or state regulations. Expense reimbursement requests must be submitted within the fiscal year of expense.