

Purchasing

217.1 GENERAL POLICY

It is the intention of the North Tooele Fire District (NTFD or the District) Board of Trustees (BOT) by adoption of this policy to establish purchasing requirements for NTFD by:

1. Limiting the expenditure of public funds to those items described in the approved District budget.
2. Ensuring all goods and services are acquired under conditions most beneficial to the District.
3. Authorizing the Fire Chief and District Administrator to approve purchases within the existing budget, limited to a cost of not more than \$5,000.00.
4. Authorizing District personnel to purchase fuel and supplies using department issued fuel credit cards at designated service stations.

217.2 AUTHORITY TO PURCHASE

The Board of Trustees shall approve all expenditures of the district. No individual may make purchases on behalf of the district unless they have been duly authorized by the BOT.

All purchases must fall within the limits of the approved budget. Any amendments or adjustments to the budget must be approved by the BOT at a budget hearing prior to the end of the applicable budget year. (See Budgeting Procedures)

No purchase greater than \$5,000.00 may be made without obtaining prior approval from the BOT, with the exception of any expenses relative to day to day operations or necessary to the continued operation of the District, i.e. utilities, payroll-related expenses, supplies/materials and emergency repairs.

217.3 PURCHASING PROCEDURE

With the exception of monthly invoices (e.g. utility bills, payroll, etc.), regular procurement requests should be pre-approved through the completion of the Purchase Tracking Form (PTF) provided by Administration, and in accordance to earlier budgetary planning processes for the given fiscal year (~~PTF attached~~). The same tracking form will be utilized for all open charge accounts (credit card) reconciliation, whether used for emergency or routine purchases.

No purchase may be artificially divided to circumvent procedures noted below.

When feasible, items should be obtained through state purchasing channels.

Items procured through a national or state purchasing consortium of \$50,25,001 or greater are not subject to the guidelines listed below.

217.3.1 SMALL PURCHASES UP TO \$1,000

The purchaser may select the best source without seeking competitive quotes.

North Tooele Fire District

North Tooele Fire District Policy Manual

Purchasing

217.3.2 **SMALL PURCHASES FROM \$1,000 TO \$5,000 (INDIVIDUAL)/\$10,000 (MULTIPLE)**

The Individual procurement threshold is \$5,000.00 for an individual item from a single source.

The Single Procurement Aggregate threshold is \$10,000.00 for multiple individual items from a single source at one time.

Obtain price quotes from at least three vendors.

Price quotes must be obtained by phone, FAX, email, internet search or letter from a representative of an established, viable vendor and documented on a quote sheet.

217.3.3 **SMALL PURCHASES FROM \$5,001 (INDIVIDUAL)/\$10,000 (MULTIPLE) TO \$50,000**

Obtain written price quotes from at least three vendors.

Price quotes must be written proposals from a representative of an established, viable vendor who is properly licensed to complete the work.

217.3.4 **PURCHASES GREATER THAN \$50,001**

Purchases greater than \$50,001.00 are subject to a competitive sealed bidding process, or national or state consortium, as follows:

Sealed Bidding

The Chief agent may contact potential vendors seeking preliminary requests for proposals; however, a formal request for proposals will also be publicly advertised. in at least one newspaper of general circulation in the area.

The District Administrator shall maintain records of bids and price quotations provided by vendors or their representatives. These records shall indicate:

1. The date the quote was provided.
2. The name of the vendor and person providing the bid or price quotation.
3. The goods or services including brand name and make/model for which the price was quoted.
4. Any special conditions affecting the quotation.
5. A copy of the quote or proposal.

National or State Contracts

As noted 217.3, and subject to budgetary compliance, NTFD may purchase under, or otherwise participate in, an agreement or contract as part of a national consortium (e.g. SourceWell), or a Utah state cooperative purchasing organization without engaging in a separate procurement process provided that such entities used a solicitation process that is consistent with the provisions of Utah Code Ann. §63G-6a-101, and is compliant with Utah Code Ann. §63G-6a-2105.

Purchasing

217.4 SOLE SOURCE PROCUREMENT

If at least two quotes cannot be obtained or there is only one vendor for said item, the purchase is considered a sole-source purchase. Sole-source purchases over \$1,000 require prior BOT approval.

217.5 OPEN CHARGE ACCOUNTS

All open charge accounts may be re-approved by the BOT annually during the budget hearing process.

Reconciliation and Payment

Before a credit card is issued to a member of NTFD, he/she is responsible to sign the credit card acceptance agreement (attachment).

Credit card invoices will be paid monthly by NTFD.

The cardholder is required to obtain and retain all receipts for goods and services purchased when using the credit card. In the absence of a receipt, a Missing Receipt Form (MRF) must be completed and signed by the cardholder and the Fire Chief (or a Board member if the Fire Chief is the cardholder). (MRF attached).

If purchases are made via phone, mail, e-mail or other electronic means, ask the supplier to include an itemized receipt with the goods when the product is shipped to the cardholder. This itemized receipt is the only original documentation specifying whether or not sales tax has been paid against the purchase.

Each cardholder will review the statement identifying all transactions made against the card during the previous billing cycle and document utilizing the Purchase Tracking Form. The statement must be reconciled against the receipts for accuracy. The reconciled statement is to be sent to NTFD administration for final review and approval. Reviews and approvals must be completed by at least one degree of separation from the cardholder (e.g. purchases by a Captain to be approved by the District Administrator, the District Administrator by the Fire Chief, the Fire Chief by the Board treasurer).

The cardholder's activity may be audited at any time.

217.6 CONTRACT/SERVICE RENEWALS

All renewable contracts/services shall be reviewed and reauthorized by the BOT.

217.7 EMERGENCY PURCHASES

An emergency condition is a situation which creates a threat to public health, welfare, or safety such as may arise by reason of floods, epidemics, riots, equipment failures, or such other reason as may be determined by the Board of Trustees. The existence of such condition creates an immediate and serious need for supplies, services, or construction that cannot be met through normal procurement methods.

Purchasing

Emergency procurement shall be limited to only those supplies, services or construction items necessary to meet the emergency.

When an emergency arises, authorized District personnel should seek competitive procurement as practical; however, competitive procurement procedures may be omitted. Prior to the emergency purchase, every attempt should be made to contact the Board Chair or Vice Chair of the BOT via phone or email. The person responsible for making an emergency purchase shall provide written documentation as to the need for the purchase and the vendor chosen.

217.8 VEHICLE PURCHASES

Non-commercial vehicles (cars and pickups) shall be purchased whenever possible through State contracted dealerships and are exempt from the sealed bidding process since the State has approved the dealership annually as the low bidder.

Fire apparatus should comply with the latest edition of NFPA 1901, *Standard for Automotive Fire Apparatus*.

217.9 PROFESSIONAL SERVICES/CONSTRUCTION WORK

Expenditures involving professional services/construction projects greater than \$50,001.00 will require advertisement for sealed bids. ~~in at least two media sources (newspaper, web-based notification program, etc.)~~ The following information must be included:

1. Specifications
2. Bid procedures
3. How bids will be evaluated
4. Deadline, time and date
5. Notice of when bids will be publicly opened

Sensitive information in bids will be safe guarded. The awarding procedure and decision, standards by which bids will be evaluated and product or service requirements to be met and bid procedures should all be documented.

The final award decision of the Board of Trustees is final.

217.10 ACCEPTANCE OF PROPOSALS

Award should be made to the vendor submitting the lowest quote meeting the minimum specifications and delivery date. In the circumstance an award is not given to the lowest bidder, qualitative information must be provided to explain the reason for selecting another vendor.

217.11 GRANT FUNDS

Awarded grant funds may be expended without prior approval from the BOT as long as the grant monies have been released by the granting agency. Notification of the expenditure will be given at the next board meeting.

Purchasing

217.12 TAX EXEMPT STATUS

While District purchases are tax exempt, District funds or tax exempt status of the District shall not be used for any expenditures for the sole personal benefit of an official or employee of the District, except when the item or items are a required component of a worker's equipment and are necessary to the successful performance of the duties of such District member or employee.

217.13 FUND BALANCE CLASSIFICATION

The Board of Trustees considers restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available.

Committed, Assigned, and then Unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

The Board of Trustees delegates the authority to assign amounts to be used for a specific purpose to the Fire Chief. These amounts are reported as Assigned fund balance in the District's financial statements.

217.14 NON-COMPLIANCE

District personnel who do not comply with provisions of this policy may be subject to disciplinary action.

217.15 ATTACHMENTS

[See attachment: Purchase tracking sheet.pdf](#)

[See attachment: Purchasing Flow Chart 2024.pdf](#)

[See attachment: Purchasing Matrix 2024.pdf](#)

[See attachment: Credit Card Holder Acceptance Agreement.pdf](#)

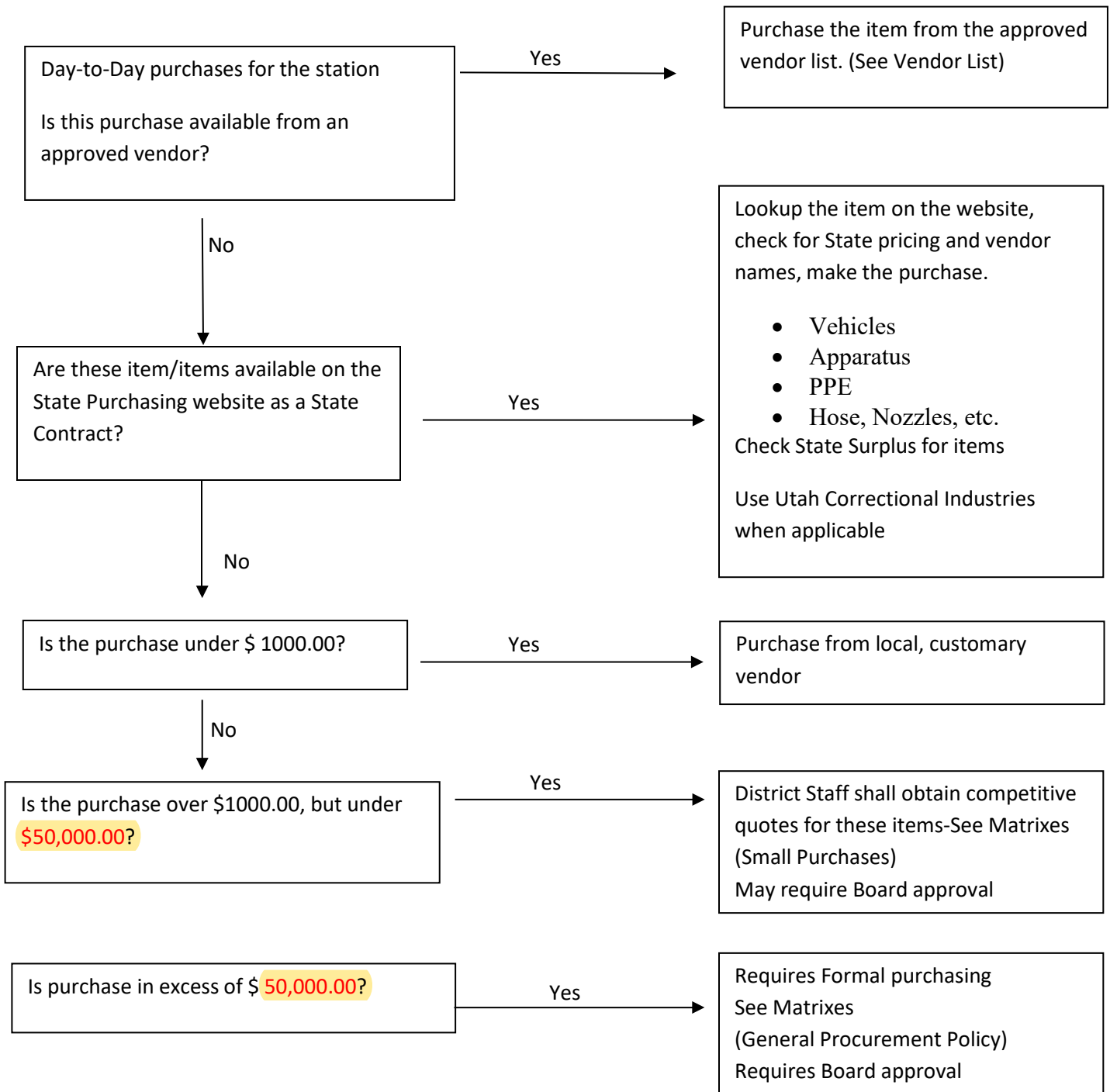
[See attachment: Missing Receipt Form.pdf](#)

Attachments

Purchase tracking sheet.pdf

Purchasing Flow Chart 2024.pdf

Purchasing Flow Chart



Purchasing Matrix 2024.pdf

	Operational Supplies Construction Supplies Non-professional Services	Professional Services Construction Work
Minimal Purchases <ul style="list-style-type: none"> No procurement process required Use Standing P.O. or Credit Card 	Less than \$ 1000.00	Less than \$ 25,000.00
Small Purchases <ul style="list-style-type: none"> Informal Procurement process required 3 quotes required (Phone, Fax, Internet) 	More than \$ 1001.00 Less than \$ 50,000.00 *-Requires Board notification at a regular Board meeting	More than \$ 25,001.00 Less than \$ 50,000.00 *-Requires Board notification at a regular Board meeting
General Procurement Formal procurement process required <ul style="list-style-type: none"> IFB (Invitation for Bid) RFQ (Request for quote) RFP (Request for proposal) SOQ (Statement of Qualifications) 	More than \$ 50,001.00 *-Requires Board notification at a regular Board meeting	More than \$ 50,001.00 *-Requires Board notification at a regular Board meeting

*- If items have been budgeted for during the annual budget process, those items may be purchased without consent of the Board as long as no dramatic changes in pricing of items or the items being purchased have not changed. Board notification at the next meeting would be necessary.

Example: During the budget process, the Board approved the purchase of 10 sets of new P.P.E. for the next year. The Staff may purchase these items without consent of the Board since the Board approved the items in the budget cycle.

However, during the budget cycle a new vehicle was approved, (staff car) and the Staff decide the car is no longer necessary and they want to purchase something else with the funds set aside for the staff car, this action would require discussion and consent of the Board. This matrix and policy are designed to reduce lag time in purchasing, while retaining checks and balances in District purchasing.

Credit Card Holder Acceptance Agreement.pdf

CREDIT CARD HOLDER ACCEPTANCE AGREEMENT

The following Credit Card Acceptance Agreement must be signed by all authorized employees of the North Tooele Fire District (NTFD) with access to a credit card.

I understand that NTFD has authorized my use of a credit card for authorized district expenditures on its behalf. In accepting and/or using the card, I agree to be bound by the terms and conditions which follow.

- I will use the card issued to me for the payment of authorized expenses consistent with my organizational responsibilities and to satisfy the needs of my department and the district
- I will not use the card to obtain cash advances
- I understand that **I am the only authorized card user** and accept the responsibility and accountability for the protection and proper use of the card
- I will not use the card for personal use or for any other non-district purposes
- I understand that all purchases shall be made in accordance with applicable purchasing and credit card policy and procedures approved by the Board of Trustees
- I understand that I will be responsible for the timely reconciliation of all credit card transactions charged to my assigned card
- I understand that I am responsible to provide appropriate documentation and receipts for credit card transactions charged to my assigned card
- I will surrender my assigned card to the district administrator in the event of my separation from NTFD
- I understand that any charges against my assigned card that are not properly identified or not allowed by NTFD shall be paid by me by check, United States currency or salary deduction. I further understand that any employee who has been issued a card shall not use the card if any disallowed charges are outstanding and shall surrender the card upon demand of the Administrator or Member of the Board of Trustees
- I will immediately report any stolen or lost card to the district administrator

I understand that any variance and/or violation of the above conditions will result in cancellation of my assigned credit card. Misuse of the card could result in disciplinary action and/or personal liability for unapproved charges. All NTFD credit cards are subject to examination by external and internal auditors.

I HAVE READ AND I UNDERSTAND THE ABOVE CONDITIONS.

Name: _____ District Administrator: _____

Signature: _____ Credit Card #: _____

Missing Receipt Form.pdf

