

PROCUREMENT POLICY OF THE WEST SAND LAKE FIRE DISTRICT NO. 1

This resolution sets forth the policies and procedures of the West Sand Lake Fire District No. 1 to meet the requirements of General Municipal Law, Section 104-b.

Purpose

Goods and services which are not required by law to be procured pursuant to competitive bidding must be procured in a manner so as to assure the prudent and economical use of public monies, in the best interests of the taxpayers, 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. To further these objectives, the governing board is adopting internal policies and procedures governing all procurements of goods and services which are not required to be made pursuant to the competitive bidding requirements of General Municipal Law, Section 103 or of any other general, special or local law.

Procedures for Determining Whether Procurements are Subject to Bidding

The procedures for determining whether a procurement of goods and services is subject to competitive bidding and documenting the basis for any determination that competitive bidding is not required by law is as follows:

PROCEDURE: \$20,000 – Up **Competitive Bidding Required**

DOCUMENTATION: In determining whether a purchase is an expenditure within the discretionary threshold amount established, the officer or board shall consider the reasonably expected aggregate amount for ALL purchases of the same commodities to be made within the twelve month period commencing on the date of purchase. Purchase shall not be divided for the purposes of satisfying the discretionary buying threshold. All documentation of bids requested and received shall be presented to the Board of Fire Commissioners at the time purchase is requested.

Statutory Exceptions From These Policies and Procedures

Except for procurements made pursuant to General Municipal Law, Section 103(3) (through county contracts) or Section 104 (through state contract), State Finance Law, Section 175-b (from agencies for the blind or other severely handicapped, special employment programs for the mentally ill or veterans' workshops), Correction Law, Section 186 (articles manufactured in correctional institutions), or the items excepted herein (see below), alternative proposals or quotations for goods and services shall be secured by use of written requests for proposals, written quotations, verbal quotations, or any other method of procurement which furthers the purposes of General Municipal Law, Section 104-b.

Methods of Competition to be Used for Non-Bid Procurements

The methods of procurement to be used are as follows:

\$0 - \$500	No verbal/written quotes needed
\$500 - \$1,000	Three (3) verbal quotes needed
\$1,000 - \$9,999	Minimum of three (3) written quotes needed

If certain items or services are purchased and consumed on a regular basis (e.g. EMS supplies, highway flares, minor and equipment repairs), the Board of Fire Commissioners may put a representative sample of the items or services to be purchased out to competitive bid at least once (1) per year. The Board may then continue to use this supplier for up to a year before the items must be re-bid. State contract price may be substituted for any or all competitive bids.

If less than three (3) quotes/bids are available the reason shall be documented before Purchase Order is approved.

Adequate Documentation

Documentation of actions taken in connection with each such method of procurement is required as follows:

Verbal Quotes: Telephone logs, notes from conversations with store clerks, notes from conversations with sales representatives must be presented to the Board of Fire Commissioners at the time purchase is requested. A proper quote sheet shall be completed and presented at time Purchase Order is requested.

Written Quotes: Written quotations, faxed quotations, catalog prices, newspaper/magazine advertisements, printed image of web pages must be presented to the Board of Fire Commissioners at the time purchase is requested. A proper quote sheet shall be completed and presented at time Purchase Order is requested.

Purchase Orders

Purchase orders **must** be used for all purchases of goods and services unless exempted by the Board of Fire Commissioners. All purchase orders **must be** approved by the Board of Fire Commissioners at a regular monthly (or special) meeting. Appropriate documentation must be presented to the Board of Fire Commissioners prior to approval. The District Secretary will prepare a list of all purchase orders approved at the monthly meetings and present this to the treasurer. Once Treasurer has prepared the purchase orders, copies will be given to the Chief so that the orders may be placed. When order arrives and has been checked for accuracy, the packing slip along with any other paperwork should be initialed by the individual checking the order and turned into the District Secretary to be attached to the voucher and submitted to the Board of Fire Commissioners for audit and payment.

Exemption from Purchase Order

The following will be exempt from needing a purchase order prior to payment:

- Utilities (pagers, cell phone, telephone, electric, gas, water, internet)
- Taxes (payroll, property, sewer, school)
- Payroll & payroll expenses
- Publication of Notices
- Contractual Services (building custodian, lawn service, waste removal, motor fuels, Insurance, fitness training, firefighter physicals)
- Interest & Principal payments for Bonds
- Bank Charges
- LOSAP

Exemptions must be approved by the Board of Fire Commissioners at a regularly scheduled board meeting.

Award to Other than Lowest Responsible Dollar Offerer

Whenever any contract is awarded to other than the lowest responsible dollar offerer, the reasons such an award furthers the purpose of General Municipal Law, Section 104-b as set forth herein above shall be documented as follows:

The board may elect not to select the lowest bidder in the following cases:

- The lowest bidder is not able to deliver the selected item, or perform the needed service, in the time frame required by the board.
- The Board has been made aware that the lowest bidder may not be reliable. The Board shall require written documentation of these reports in order to apply this option.
- The Board is not satisfied with the quality of the goods or services provided by the lowest bidder. The Board shall document in writing the instances where it feels the quality does not meet its standards.
- The Board, in accordance with its commitment to support the businesses in the District who support this Fire Department, may select a supplier other than the lowest bidder, provided the selected suppliers' place of business is in the Town of Sand Lake, and the Board feels that the difference in price is reasonable.
- In the event of an emergency, as described in the next section.

Items Excepted from Policies and Procedures by the Board

The Board sets forth the following circumstances, or types of procurements for which, in the sole discretion of the governing body (Board of Fire Commissioners), the solicitation of alternative proposals or quotations will not be in the best interest of the West Sand Lake Fire District No. 1.

- The Board of Fire Commissioners reserves the right to except from this policy, purchases of goods and services which are required during an emergency situation. For the purposes of this section, an “emergency” shall be defined as: *a situation which exists in which a delay in remediation will materially compromise the District’s ability to deliver its services to the community.*
- In an emergency, the Board shall be empowered to purchase the necessary goods and services from the supplier who can fulfill the order in a manner that will have the least possible impact on the District’s services, at the lowest possible price.
- All Emergency Purchase Orders must be approved by at least three board members and must be requested by email to the Treasurer.
- Before each monthly meeting the treasurer shall prepare a summary of emergency purchase orders issued since the last monthly meeting for approval by the board.

Input from Officers

Comments concerning the policies and procedures shall be solicited from officers of the political subdivision or district therein involved in the procurement process prior to the enactment of the policies and procedures, and will be solicited from time to time hereafter.

Annual Review

The governing board shall annually review these policies and procedures. The Board shall conduct an annual review of the procurement policy and complete an evaluation of the internal control structure established to ensure compliance with the procurement policy.

Unintentional Failure to Comply

The unintentional failure to fully comply with the provisions of the General Municipal Law, Section 104-b shall not be grounds to void action taken or give rise to a cause of action against the West Sand Lake Fire District No. 1 or any officer or employee thereof.

Resolution

Adopted on _____, 2010 by unanimous vote of the governing board of the West Sand Lake Fire District No. 1 by resolution by Commissioner _____, seconded by Commissioner _____.

Affirmed by: _____ Date: _____
 District Secretary