

*Salt Spring Island Fire Protection District*

**POLICY MANUAL**

Section	Finance
Policy Number	AF-3701-03
Policy Title	PURCHASING

**STATEMENT OF POLICY**

The SSIFPD recognizes the need to control expenditures to maintain fiscal responsibility. Purchasing policies and procedures represent the single most important step toward this goal. It shall be the responsibility of all employees who have authorization to make purchases to follow policies and procedures as set forth herein.

**RESPONSIBILITY AND TRAINING**

Staff are responsible for adherence to and implementation of this policy. Training staff about the policy is the responsibility of the Fire Chief.

**GENERAL**

Contract awards shall be made for materials and services that will give the greatest value based on quality, service, price and availability. All purchasing is to be consistent with the annual budget. Variance in excess of the budget, and purchases in excess of \$2,000.00 must be reviewed by the Finance Committee and approved by the Board of Trustees. Exception applies in the event of *Emergency Purchasing* as described below.

**APPROVING AUTHORITY**

1. Salaries and wages for employees and paid on call staff, and all related disbursements, require no approval under this policy. Compensation for casual help and contract office employees, including related disbursements, shall be authorized by signature of the Fire Chief or CAO.

2. Purchases under \$500.00, and the routine expenditures listed below, may be authorized by the Fire Chief or CAO signing the invoice.

- Telephone rental fees (including long distance tolls)
- Utilities (hydro, heating, cable accounts, water)
- Inspection fees, permit fees, and taxes to other governments
- Insurance premiums

- Regularly scheduled for example: annual inspections; repairs and maintenance

3. Purchases with an estimated cost of \$500.00 or more must be made with either a *Cheque Requisition* or *Purchase Order* and include at least the following information:

- Name and address of the supplier
- Date of purchase
- Description of goods or reference to invoice number
- Copies of quotes, tenders, and/or packing slips should be attached

4. A *Cheque Requisition* shall only be used for the following types of expenditures. All other expenditures require a *Purchase Order*.

- Costs directly related to court actions and damage claims
- Subscription renewals
- Professional fees
- Association membership dues
- Fees for exams, courses and conventions, etc.
- Travel expenses or advances including mileage and lodgings

4. *Cheque Requisitions* and *Purchase Orders* must be signed by the Fire Chief or CAO. Where the Fire Chief or CAO is the payee, payment must be authorized by signature of the Chair of the Board of Trustees or the chair of the Finance Committee.

## **PURCHASE ORDERS**

### **(a) Purchases from \$500 to \$2,000**

At least two quotes are to be obtained from suppliers. The lowest quote shall be accepted except where there may be differences in availability or quality.

### **(b) Purchases over \$2,000 up to \$10,000**

Purchases in this range must be done by recorded quotations. Every effort should be made to receive and record at least three (3) quotes on the Quotation Evaluation Form (attached) with the lowest bid being recommended for acceptance. If it is impractical or impossible to receive three quotes, or if the lowest bid is not recommended, the Fire Chief or CAO shall provide written justification for review and approval by the Board at an in camera meeting. Copies of the Quotation Evaluation Forms are to be attached to the Purchase Order when it is submitted with the invoice for payment.

**(c) Purchases over \$10,000**

Purchases over \$10,000 must be done by way of written tenders. Tenders may be solicited by the SSIFPD by means of selective invitations to particular suppliers, or by public advertising. The method of tender will be decided by the Fire Chief and/or CAO in consultation with the Finance Committee.

In the case of sealed tenders, the bids shall be opened in public, at which time bidders' names and total bid price are disclosed. A summary of the tenders shall be prepared for the Board of Trustees along with the staff recommendation and presented if necessary in camera.

**EMERGENCY PURCHASING**

The Fire Chief shall have authority to bypass normal procedures in the event of disaster or emergency. Such a variance from this purchasing policy must be reported to the CAO and Board of Trustees as soon as possible, with a follow-up in writing.

**EMPLOYER'S DISCRETION**

The provisions set out in this policy are subject to revision from time to time at the discretion of the Board of Trustees.

**CROSS REFERENCES**

**APPROVALS**

Approval date:	2015-09-15	Approved by:	Board of Trustees
1. Amendment date:	2015-10-26	Approved by:	Board of Trustees
2. Amendment date:	2015-12-07	Approved by:	Board of Trustees
3. Amendment date:		Approved by:	

**QUOTATION EVALUATION FORM**  
For purchases over \$2,000 up to \$10,000

Purchases in this range must be done by recorded quotations. At least three quotes should be received and recorded, containing information as follows:

COMPANY NAME: \_\_\_\_\_  
PRODUCT DESCRIPTION: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_  
PHONE #: \_\_\_\_\_  
AMOUNT: \_\_\_\_\_  
CONTACT NAME: \_\_\_\_\_  
DATE: \_\_\_\_\_

COMPANY NAME: \_\_\_\_\_  
PRODUCT DESCRIPTION: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_  
PHONE #: \_\_\_\_\_  
AMOUNT: \_\_\_\_\_  
CONTACT NAME: \_\_\_\_\_  
DATE: \_\_\_\_\_

COMPANY NAME: \_\_\_\_\_  
PRODUCT DESCRIPTION: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_  
PHONE #: \_\_\_\_\_  
AMOUNT: \_\_\_\_\_  
CONTACT NAME: \_\_\_\_\_  
DATE: \_\_\_\_\_

Ordinarily the lowest bid will be recommended for acceptance.

If the lowest bid is not recommended, the Fire Chief or CAO shall provide written justification for review by the Finance Committee and approval by the Board.