

FELTON FIRE PROTECTION DISTRICT
STANDARD OPERATING PROCEDURES

ARTICLE: I

SOP: 1203

SECTION: 1200

FINANCE

SUBJECT: PURCHASING AUTHORIZATION

PURPOSE: To establish a clear procedure for District members to make necessary purchases on behalf of the District.

SCOPE: This procedure gives guidance to District members when making purchases on behalf of the District. While this procedure gives specific authority for making purchases, it is not meant to replace good fiscal judgment for conducting business. It is imperative that the Fire Chief monitor and track the status of the various District budget accounts in order to ensure that money is available for a projected purchase.

DEFINITIONS:

Capital Expenditure:

An expenditure of funds for the purchase of an item that exceeds \$3,000.00 in cost. Capital Expenditures shall follow the policies and procedures as outlined in SOP 1200.

Fixed Asset:

\$299.00 or greater in value and is a non-disposable item such as furniture, large tools and portable equipment and is required to be tracked as inventory.

Open Purchase Order:

A pre-arranged charge account with a vendor for the purpose of making routine or emergency purchases of less than \$25.00. The vendor will bill the District on regular intervals once several purchases have accumulated (typically for hardware, automotive parts, etc.).

Emergency Operations:

The functions of the District during disaster, campaign and extended attack modes.

Contract:

A formal agreement between parties to pay for services rendered. Typically a contract would include the services to be rendered, under what conditions, by a given time, for an identified amount.

Apparatus:

Emergency response vehicles and associated equipment.

Mobile Equipment:

All vehicles owned by the District including sedans and utility vehicles.

Facilities:

Buildings and grounds where fire administration, fire training and maintenance are housed.

Maintenance:

Activities that assure safety and reliability of District apparatus and facilities. Maintenance will also increase the serviceability and life of the asset.

Procedure:**PURCHASES REQUIRING AUTHORIZATION:**

1. Capital expenditures shall be authorized by the Board of Directors as outlined in the District's Capital Expenditure Purchasing policy/1200.
2. Purchases of items such as: new equipment, tools, furnishings or other items that are not routine maintenance in nature that exceed \$50.00. These purchases shall be reviewed by the Fire Chief.
3. All formal contracts for services shall be approved by the Fire Chief prior to entering into the contract. All formal contracts require either the signature of the Board of Directors Chairperson or the Fire Chief.
4. The passage of a budget by the Board of Directors authorizes the Fire Chief to utilize those funds as appropriated, and in conjunction with the District's purchasing policy.
5. Transfer of funds from District accounts shall be authorized by the Board of Directors.

FIRE CHIEF

The Fire Chief is authorized to make any expenditures as appropriated by the Board of Directors.