

CLACKAMAS FIRE DISTRICT #1
STANDARD OPERATING GUIDELINES
SECTION 6 - FINANCE

ORIGINATED AND APPROVED: 06-15-2007
LAST REVISED: 12-21-2009

SUBJECT: PURCHASING POLICIES AND PROCEDURES

PURPOSE: To establish a uniform method of procurement and purchasing management procedures consistent with District policy, Oregon Revised Statutes, and Oregon Administrative Rules.

POLICY: Clackamas Fire District #1 (CFD1) will provide a standardized system of purchasing management within the guidelines provided by the District's Purchasing Policy and Procedures, Oregon Revised Statutes (ORS), and Oregon Administrative Rules (OAR).

The District adopts the Attorney General's Public Contracting Rules, [Oregon Administrative Rules Chapter 137, Division 46 through 49 \(Model Rules\)](#), effective March 1, 2005 and as later amended, as its public contracting rules, unless otherwise stated in this policy. Public contracting rules are also addressed in the Oregon Revised Statutes, Chapter [279A](#), [279B](#), and [279C](#). Where appropriate, by Local Contract Review Board (LCRB) Resolution #90-06, the LCRB has made all required findings and approvals necessary to authorize the adoption of the following purchasing policies and rules:

TABLE OF CONTENTS

I.	PURCHASING PROCESS	
	A. Authorization	3
	B. Purchasing Policy Flowchart.....	6
	C. Requisition Order Form	7
	D. Vendor Quotes	8
	E. Invoices	9
	F. Purchase Orders.....	10
II.	STANDING PURCHASE ORDER RELEASE/MANUAL PURCHASE ORDER	11
	A. Manual Purchase Order Requirements.....	11
	B. Manual Purchase Order Routing	11
III.	PURCHASING CARDS.....	12
IV.	EMERGENCY PURCHASES	14
V.	PETTY CASH.....	15
VI.	INSPECTION AND RECEIVING	16
VII.	EMPLOYEE REIMBURSEMENT REQUESTS.....	17
VIII.	PERSONAL SERVICE CONTRACTS	18
IX.	EXEMPTIONS FROM COMPETITIVE BIDDING ON CONTRACTS.....	19
X.	INDEPENDENT CONTRACTORS PERSONAL SERVICES CONTRACTS.....	20
XI.	SOLE SOURCE PURCHASES.....	20
XII.	INTERGOVERNMENTAL/COOPERATIVE PURCHASING.....	20
XIII.	REQUEST FOR PROPOSALS.....	21
XIV.	PUBLIC IMPROVEMENTS CONTRACTS.....	21
XV.	ETHICS IN DISTRICT PURCHASING	21
XVI.	PUBLIC ACCESS TO PURCHASING INFORMATION.....	22
XVII.	FAILURE TO FOLLOW POLICY.....	22
XVIII.	SURPLUS PROPERTY	22
XIX.	DEFINITIONS AND ABBREVIATIONS.....	22

AUTHORITY & RESPONSIBILITY: Personnel authorized to perform purchasing for CFD1 will do so within the policies and laws cited in this SOG.

I. **PURCHASING PROCESS:** To maintain consistency all purchases will require a formal process to be followed. The purchasing process may differ depending on type and amount of purchase.

A: **ESTABLISH AUTHORIZATION:**

Budget control begins with the individual responsible for a cost center within the overall District budget. A cost center includes stations and programs such as wellness, volunteers, fire prevention, training and individual fire stations. A full list of the current cost centers may be found in [Budget Documents](#) on the D1. The budget responsibility for the cost center lies with the individual program manager, station captain, or battalion chief or deputy chief assigned to the program or station. For the purposes of this policy this individual will be known as the Department Head and as such is responsible for exercising general supervision and control over his or her budget. Purchasing responsibility may be delegated to a subordinate with the understanding that ultimate budget responsibility remains with the individual assigned overall budget responsibility. No expenditure will be made without express authorization and request of the individual responsible for the cost center.

Division heads (deputy chief and administrative chief positions) are responsible for training their employees with purchasing authorization to determine cost centers and account numbers to charge various items against.

No purchase shall be approved without budget authorization (i.e., available funds, authorized items of capital outlay) unless authorized in writing by the Finance Director up to \$5,000 and/or the Fire Chief if the unbudgeted purchase exceeds 5,000. The Fire Chief may require that certain Requisition Orders be authorized by him/her and or the Finance Director prior to sending the requests to the Logistics Department. Such authorization does not allow District funds to be expended or committed without following the prescribed procedures. No purchases will be made nor submitted to logistics until approval has been established.

Purchasing authority is separate and different from quote and documentation requirements.

1. Purchases less than or equal to \$1,000 excluding Employee Reimbursement Requests, Travel Requests, require authorization from the individual responsible for the cost center, or his/her delegate.
2. Purchases greater than \$1,000 but, less than \$5,000 requires authorization from the individual responsible for the cost center from which the purchase is being requested.

3. Purchases greater than or equal to \$5,000 but less than \$15,000 require review and approval from individual responsible for the cost center, and Finance Director.
4. Purchases \$15,000 or more will require the authorization, approval and or review from the individual responsible for the cost center, Finance Director, and Fire Chief.
5. Purchases equal to and greater than \$50,000 will require authorization and approval from The Fire Chief and the Board of Directors.

TABLE 1 - EXPENDITURE ORIGINATION AND SIGNATURE AUTHORITY

	Approval by Responsible Department Head or Delegate	Approval by Responsible Department Head	Reviewed by Finance Director	Approval by Fire Chief or designee	Approval by Board of Directors
Expenditures*					
Less than \$1,000	⊙				
\$1,000 or more	⊙	⊙			
\$5,000 or more	⊙	⊙	⊙		
\$15,000 or more	⊙	⊙	⊙	⊙	
\$50,000 or more	⊙	⊙	⊙	⊙	⊙
Reimbursement Request (regardless of amount)					
Any employee reimbursement request	⊙	⊙			
Reimbursement requests for Directors, Division Chiefs, or Chief of Staff	⊙		⊙	OR ⊙	
Travel Requests (regardless of amount)					
Out-of-state travel requests	⊙	⊙	⊙	⊙	
Local travel requests	⊙	⊙			

* Unbudgeted items may require additional approvals depending on the amount and item requested. See Finance Director for clarification.

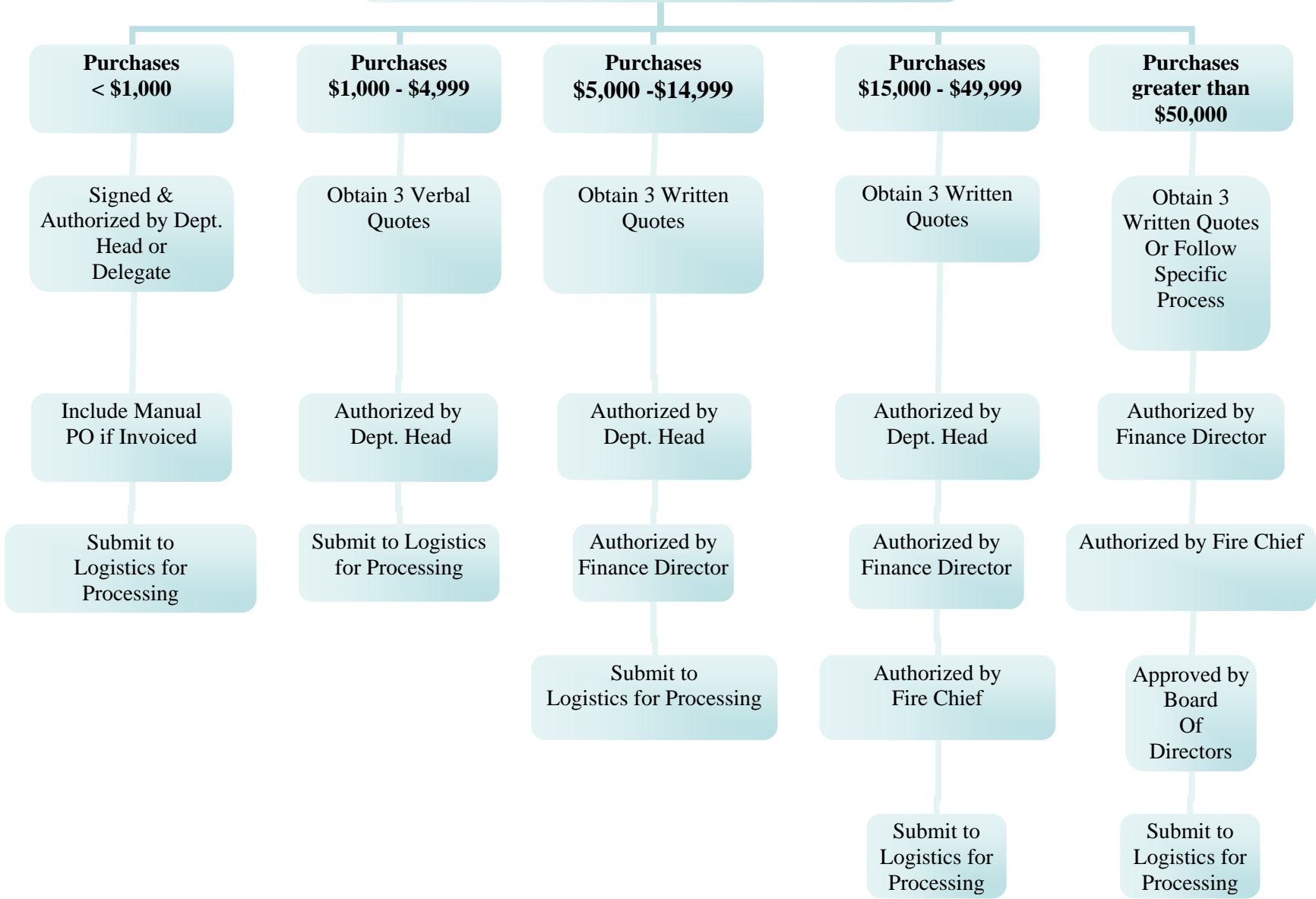
TABLE 2 – QUOTE REQUIREMENTS & DOCUMENTATION*

Purchase Type	Quote Requirement	PO Required	Approval
\$1,000 and under	No Quotes	If invoiced	Responsible Department Head or Delegate
Over \$1,000 to \$5,000	Three verbal quotes	Yes	Responsible Department Head
Over \$5,000	Three written quotes	Yes	Finance Director
Over \$15,000	Three written quotes	Yes	Fire Chief
Over \$50,000	Three written quotes	Yes	Board of Directors
Sole Source	See Page 20	Yes	Board of Directors
Request For Proposal	See Page 21	Yes	Reference Limits Above

*Reference page 6 for further quote and documentation information

Purchasing Policy Flow Chart for Expenditures

For All Purchases, Fill out Requisition Form & Provide PO



* Flow chart does not apply to personal service contracts, sole source purchases and intergovernmental cooperative purchasing.

B: REQUISITION ORDER FORM:

A [Requisition Order Form](#) will be used for all “purchase requisitions” requiring a purchase order. Purchases of \$5,000 or more with written quotes attached must be submitted in hard copy for approval. Reference Table 2 for Quote and Documentation Requirements. All purchases under \$5,000 may be routed electronically through e-mail for appropriate approval. Reference table 1 for appropriate approval authority. Once the approvals have been obtained, the requisition is forwarded to Logistics to complete a purchase order.

Requisition Order Requirements

1. The vendor the requisition is to be made out to, the complete address, phone, and fax number (if known) must be filled in on the upper portion of the requisition.
2. The body of the Requisition Order must contain the following information:
 - a. Cost center (Department, Station, or Program)
 - b. Account number (i.e. 7090 Office Supply)
 - c. Material/service description or what needs to be ordered
 - d. Quantity desired
 - e. Price for each item/service
 - f. Total (quantity times cost) and estimated shipping, if applicable
 - g. Approvals and authorization signatures
 - h. Quotes (attach written quotes to requisition form)
3. A [Requisition Order](#) must be generated for materials and/or services to be invoiced, unless another pre-approved method has been setup with Finance. The form must be signed by the appropriate approval personnel as referenced in Table 1.
 - “Emergency Repair” or “Budgeted” boxes should be checked “yes” or “no” as appropriate below the vendor quotes area.
 - The date the materials are required, the delivery address, and any other pertinent information should be put in the ‘Other Remarks’ section.
 - Completed requisitions will be submitted to Logistics for order processing.

C: VENDOR QUOTES (if applicable):

- Purchases less than \$1,000 do not require quotes.
 - Three oral quotes shall be obtained for an order equal to and greater than \$1,000, but, not exceeding \$5,000.
 - For items greater than \$5,000, but equal to or less than \$50,000, a record of three original written quotes should be attached when feasible. Not all purchases will fit neatly into the three quote requirement, as there may be purchases requiring an RFP, have only one procurement source, or be available from a cooperative purchasing source.
 - Upon receipt of a [Requisition Order](#), the Logistics Department will obtain a source of supply, if the requesting department has not already done so. This is done by selection of firms that will give the best price, proper quality, and service.
1. When emergency conditions will not permit bids to be obtained, bids or quotations may not be required. However, ratification of the purchase decision must be obtained by the appropriate approving party within the next working day. Section IV of this policy should be referred to in emergency conditions
 2. The District will follow the Attorney General’s Public Contracts Manual (Model Rules) for its purchasing policy and procedures, unless otherwise stated in this document. Public contracting rules are covered in ORS Chapters [279A](#), [279B](#), and [279C](#) and [OAR Chapter 137, Divisions 46 through 49](#), effective March 1, 2005. This includes all modifications the Attorney General may adopt regarding these rules. These rules explain all the requirements needed to publish an Invitation to Bid (ITB) or a Request for Proposal (RFP) for goods and services and public improvements contracts. Personal Services Contracts are covered in Section XII of this document.

The Board of Directors authorizes the Fire Chief, the successor Fire Chief, or the Fire Chief’s designee, to approve contracts that are subject to competitive bidding requirements without prior approval of the Board, provided such contracts do not exceed \$50,000 and are within budget parameters.
 3. Purchases and contracts that are not subject to competitive bidding requirements, including personal services contracts entered into or extended by direct appointment, and that are within budgeted parameters, may be entered into without further approval by the Board. These items include, but are not limited to, employee insurances, including worker’s

compensation, medical, dental, or life; taxes and PERS payments, investment purchases as authorized by board policy, or other adopted investment policies, payments on personal service contracts within contracted amounts for legal and medical supervision services, dispatch, data, and video and voice connectivity, and property and liability insurance purchase.

4. When preparing a requisition over \$1,000, three vendor quotes should be obtained. If that is not possible because the vendor is a sole source vendor, or because the price quote is from another government contract, such as state bid, that has already been awarded, the reason for not obtaining three vendor quotes should be noted in the “Vendor Quotes” area of the Requisition Order. The vendor quotes shall include the vendor’s name and price in this “Vendor Quotes” section. If the order is a sole source or has been previously bid out by another government with cooperative language (see Section VIII for more information on this), then three quotes are not needed, but the reason for not obtaining three quotes should be noted on the requisition in the “Vendor Quotes” area.
5. Public notices of bids and proposals may be published electronically, instead of by newspaper of general circulation, as long as it is cost effective to do so and legally allowed.
6. All contracts will be awarded by competitive process, except as otherwise allowed by state statutes, OARs, the guidelines of this SOG, Local Contract Review Board Resolutions, and/or as authorized by Board Policy.

D: INVOICES

All invoices from vendors must be forwarded to the Finance Department for payment. All invoices will be processed and paid by the Finance Department weekly according to the terms of the invoice. The Finance Department will process original invoices for payment purposes. Vendor statements will not be used for payment purposes.

1. If the originating department/division receives the invoice directly, they will follow the procedure below as payment approval for invoices in instances where the total dollar value of the procurement did not exceed \$1,000 and a Standing Purchase Order or a Manual Purchase Order was used for the procurement of materials and/or services.
2. The personnel receiving the goods or service must write directly on the original invoice or contract agreement the following details:
 - a. The purchase order or requisition number, if not already noted on invoice;

- b. The date the materials and/or services were received;
- c. Ordering personnel's name;
- d. Authorization for payment. (i.e., "OK to pay"); and
- e. The cost center and account number to be expensed in accordance with departmental/divisional budget

E: PURCHASE ORDERS:

1. Purchase orders must be filled out completely and be attached to the Requisition Order. Other than from a vendor on the standing purchase order list, no purchase of \$1,000 or more will be made without an authorized purchase order. Signed contracts on file with the District and copied to the Accounts Payable office do not require a purchase order.
2. No purchase will be authorized without budget authorization (i.e., available funds, authorized items of capital outlay), unless authorized in writing by the Finance Director if under \$5,000 and/or the Fire Chief if over \$5,000.
3. The District is tax exempt as a political subdivision, instrumentality of government, under Internal Revenue Code Section 115.
4. Purchase Order Routing:
 - a. One copy is sent to the vendor (if requested). If the copy is not sent to the vendor, it is retained by Logistics.
 - b. If the purchase is for services, a second copy is attached with all supporting documentation and the Requisition Order is forwarded to accounts payable for future processing.
 - c. If the purchase is for goods, a second copy is attached with all supporting documentation and the Requisition Order is retained in the Logistics Department for receiving the product.
 - d. The Purchase Order and attached documentation is filed by vendor in the Logistics Department. When the order is received the document will be pulled and the receiving process will be followed as outlined below in IX.
INSPECTION AND RECEIVING.
5. One item requiring special clarification is the "F.O.B. shipping point." In those cases, freight charges will be prepaid and shown as a separate item on the invoice. In no case will the District receive freight on a collect or COD basis, unless those arrangements have been pre-approved by the Logistics Manager.

6. Payments to vendors are generally issued on Friday. Wednesday is the deadline for submissions for the weekly check run. Changes to the schedule may be made to accommodate holiday schedules, and special circumstances. Discounts for earlier payments will be taken when applicable and provided the invoice has been approved. All invoices should be submitted to:

Clackamas Fire District #1
Attn: Accounts Payable
11300 SE Fuller Road
Milwaukie, OR 97222

II. STANDING PURCHASE ORDER RELEASE/MANUAL PURCHASE ORDER

Standing purchase orders are issued annually to vendors who supply small miscellaneous items, such as nuts and bolts, stationery supplies, or printing, which are purchased at varying times in small quantities; or are issued yearly to contracted vendors for frequent and/or continuous purchases, such as overhead door or heating/air conditioning repairs.

NOTE: When purchasing against a Standing Purchase Order, the authorized purchaser will need to inform the vendor of the assigned Standing Purchase Order number and the purchaser's name on invoices.

Designated Department Heads, when so authorized by their Division Head, may utilize Standing Purchase Order for the procurement of materials and/or services where the total dollar value of the procurement does not exceed \$1,000. Use of manual purchase orders for a higher defined dollar limit may be authorized for certain personnel within specific dollar limits at the direction of the Fire Chief or designee. All quote and purchasing limits apply as stated in on page 4-5. Manual purchase orders are not to be used as a method to circumvent Requisition Orders.

A. Manual Purchase Order Requirements

1. Vendor name, address, phone number, and fax number (if known)
2. Cost center
3. Account number
4. Material/service description of what needs to be ordered
5. Quantity desired
6. Price for each item/service
7. Total (quantity times cost) and estimated shipping, if applicable

8. Employee (purchaser) name and employee number
- B. Manual Purchase Order Routing
1. White copy to vendor, if needed
 2. Yellow copy with packing list and/or bill to be submitted to Finance at least weekly.

III. PURCHASING CARDS (CREDIT CARDS)

The Finance Division uses the purchasing card program for small items, one-time and occasional vendors, and certain types of recurring purchases in order to improve the efficiency and cost effectiveness of the ordering process. This program will be periodically updated as needed by the Finance Department. Purchasing cards are not to be used as a method to circumvent Requisition Orders

A. **Obtaining a Purchasing Card**

1. Line personnel automatically receive a purchasing card if they are a captain or higher rank.
2. For support departments/divisions, if an employee's duties require a District purchasing card, the supervisor of his or her department/division must submit a written request to Finance. The request must be approved by the Finance Director. To be considered for a purchasing card, the employee should be responsible for regular, periodic purchases at least twice monthly. Written requests from the supervisor must include a clear outline of why the purchasing card is required, whom the purchasing card will be assigned to, anticipated volume of usage, and what cost center will be charged for the majority of transactions.
3. When a purchasing card is issued, the employee will sign a "Purchasing Card User Agreement" with the District before he/she is allowed to start using the card. The Finance Division reserves the right to not issue a card to an employee or to revoke a card if misused.

B. **Reporting Purchasing Card Transactions.** Employees must complete Form "[Purchasing Card Transaction Summary](#)," after using a purchasing card. The form contains the following information:

1. If an employee has initiated and authorized a financial obligation with a vendor for the District, then the employee must document the budgeted cost center and expenditure account for the purchase each month when

purchasing card statements are received, regardless of whether or not the goods or services have been received.

2. The purchaser must also document the transaction date, the vendor, the item purchased, the business reason for the purchase, the cost center and account number and the amount. Documentation should also include the people attending the meal. Gratuities are restricted to 15%. The reporting form requires the two signatures, the person submitting the form as well as an authorized manager.
3. Purchases over \$1,000 must follow the guidelines discussed in Section III – REQUISITION ORDER and Section IV - PURCHASE ORDERS. The maximum allowable purchase limit on a purchasing card is \$10,000 in special circumstances, although most purchasing cards have a \$2,500 maximum limit.

Please note: Failure to turn in receipts and forms on a timely basis will be grounds for terminating purchasing card privileges.

- C. **Lost receipts** for purchasing cards will use the same form and have the same information completed as mentioned in Section B above, and must also have the supervisor's approval before submitting the paperwork to Finance.
- D. **No Personal Charges:** Occasionally, personal items are inadvertently charged on a District purchasing card. When this occurs, Finance must be notified immediately and the District reimbursed for the purchase amount. Personal purchases may be grounds for terminating purchasing card privileges or disciplinary action.
- E. **Business Meals/Food:** District personnel may have circumstances when schedules will only allow a meeting with another agency or non-district party that could only be conducted over a meal period. The IRS considers the meal consumed by the employee to be a taxable fringe benefit. Documentation will include identification of the meal consumed by the District employee, attendees, and purpose of meeting. If the meal is not identified the ticket will be divided equally to determine the taxable base. Taxable fringe benefits will be compiled and processed through payroll on a quarterly basis. **Meals at the employee's discretion with other District employee's are at the employee's expense and a District credit card should not be used.**

Internal Meetings: Food purchased for internal meeting where employees work through the meal period at the District's discretion are non-taxable to employees. Documentation includes attendees, purpose of meeting, and authorizing manager.

Meals for Extended Emergencies or Unplanned Move-up: Meals may be purchased for personnel when extended emergency response and unplanned move-

ups occur. These meals are a non-taxable event. Meals for regularly scheduled move-ups are not an authorized District expense.

- F. **Gift Cards or Certificates.** The IRS considers gift cards or certificates the same as income, if given to a District employee from the District. As such, gift cards awarded to employees are considered by the IRS to be a taxable fringe benefit. Taxability issues will be processed through payroll as they occur. The documentation will list recipient name, date needed, and business reason for the card or certificate.
- G. **Disputed Transactions.** If a transaction is disputed, Finance and employee will ensure the transaction is reversed or resolved to the District's satisfaction.
- H. **Monthly Statements.** Purchasing card statements are received monthly. Documentation will be prepared and turned into the Finance Department as described above in Section B. If the purchase is over \$1,000, the original signed and dated receiving purchase order should be forwarded to the Finance Department, as well as approval by an authorized individual or designee as described above in Section B. **For auditing and budget law purposes, original backup documentation and an explanation of charges must be attached to Finance's copy of the statement.**
- I. **Lost Purchasing Card:** Any lost purchasing card must be reported to Finance immediately. For cards that are lost, Finance will reduce the card limit to \$1.00. The purchasing card will remain at 'lost' status for two to three weeks (waiting period). If the card is found later, the limit will be restored. If the waiting period expires, Finance will proceed with canceling the lost card and issuing a replacement.
- J. **Stolen Purchasing Card:** If a purchasing card is stolen, Finance must be contacted immediately. Call the Finance Director **and** notify direct supervisor of lost or stolen purchasing card as soon as possible.
- K. **Purchasing Card Increase/Decrease:** Purchasing card limits are normally \$2,500, unless requested otherwise by the supervisor when initially requested. If an employee would like to increase or decrease that limit, the employee's supervisor may request that Finance change an employee's purchasing card limit. Finance requires 72-hour notice to change a credit limit once approved by the Finance Director.

IV. EMERGENCY PURCHASES

- A. "Emergency" shall be defined as follows: "Circumstances that (a) could not have reasonably been foreseen; (b) create a substantial risk of loss, damage, or interruption of services or a substantial threat to property, public health, welfare, or safety; and (c) require prompt execution of a contract to remedy the condition."

- B. In the event of a natural disaster or calamity, expenditures or authorization to borrow money not contemplated in the budget shall be authorized by:
- a. The Board of Directors by resolution, or
 - b. The Fire Chief or the Fire Chief's successor by written order, in the event prompt action is necessary to protect the public health or safety following such an emergency, when it is not practical to convene a meeting of the Board of Directors. (ORS 294.455)

The Fire Chief or the Fire Chief's successor shall have authority to approve and execute contracts in any amount without approval of the Board: provided however, that the Fire Chief or the Fire Chief's successor shall make all reasonable efforts to obtain approval of the Board Chair before entering into a contract in excess of \$50,000.

- C. The Fire Chief, the Fire Chief's successor, or a designee of the Fire Chief shall have authority to determine when emergency conditions exist sufficient to warrant an emergency contract. The nature of the emergency and the method used for the selection of the contractor shall be documented.
- D. Emergency contracts may be awarded as follows:
- a. Goods and Services. Emergency contracts for procurement of goods and services may be awarded pursuant to [ORS 279B.080](#) and section 3.4 of this policy
 - b. Public Improvements. Emergency contracts for public improvements may be awarded according to the process set for in [OAR 137-049-0150](#).

V. PETTY CASH PURCHASES

- A. The petty cash account is for material and service expenses of \$50 or less. Such expenses will be refunded to the employee upon presentation of a properly documented, authorized request for payment to the petty cash custodian. This documentation must include the original receipt, proper account code, approval by an authorized individual or designee, and any other pertinent back-up documentation.
- B. The Petty Cash Account should be used for casual purchases only when:
1. There is immediate need for the item, which is not obtainable through the Logistics Department.
 2. The employee does not have a purchasing card or the vendor will not take a purchasing card.
 3. The purchase is under \$50.

- C. Petty cash accounts will be reconciled by each department /division's petty cash custodian and replenished at least on a quarterly basis in conjunction with fiscal year end. The petty cash custodian has the option of using the Petty Cash Reconciliation Form to complete this task.

VI. INSPECTION AND RECEIVING

It is the responsibility of Logistics to check materials against the purchase order for conformance to quality, quantity, and specifications.

- A. When materials and services are received, the following procedure will be observed:
 1. Deliveries should not be accepted without obtaining some form of delivery ticket or packing list. Every vendor must obtain a signature for their records, but personnel should make certain that he/she leaves a copy for District records. Exceptions to this are UPS and Federal Express, where District personnel can obtain needed information via the vendor web site.
 2. When personnel receive goods, they must not sign collect freight bills, but should instead notify the delivery service that the freight bills must be prepaid, and advise the department/division head.
 3. Personnel must examine the container at the point of delivery and make a notation on the packing/delivery slip and/or carrier freight bill for each dent or tear, no matter how minor the damage.
 4. The delivery slip must be verified to see that it agrees with the materials and services received.
 5. The delivery slip should be compared with the purchase order and any price adjustments, shipping costs, etc., made directly on the receiving purchase order.
 6. If the material and services are satisfactory and there is not a discrepancy with the order, personnel must make certain that the original receiving purchase order is signed and dated.
 7. If there is a discrepancy with the order (i.e. overage or shortage), the vendor and/or delivery driver should be contacted to determine resolution.
 8. The verified items should be entered into the accounting system. If the personnel does not (or is not responsible for) receive the items into the

accounting system, they must forward the receiving purchase order along with the words “Okay to receive in accounting system” written on it to the logistics department.

9. If the order is received in its entirety (complete), the signed and dated original receiving purchase order, the packing/delivery slip, and invoice (if available) should be forwarded to the Finance Department, as authorization for **final** payment.
10. If the order is not complete:
 - a. The items received should be recorded on the receiving purchase order.
 - b. The packing/delivery slips and invoice (if available) forwarded to the Finance Department, as authorization for **partial** payment.
 - c. The verified items should be entered into the accounting system. If the receiving party does not (or is not responsible for) receive the items into the accounting system, a copy of the receiving purchase order should be forwarded to the logistics department as stated in (8) above.
 - d. When the final delivery is made and the purchase order is complete, the remaining packing/delivery slips should be forwarded to the Finance Department as stated in (9) above.
11. The receiving purchase order will be filed by vendor alphabetically, along with the paid invoice and copy of voucher/check in the Finance Department’s current fiscal year vendor files.

VII. EMPLOYEE REIMBURSEMENT REQUESTS

The main function of the [Reimbursement/Mileage Form](#) is to simplify the reimbursement process for claims against the District. This form may be used without a purchase order or an invoice to make a payment to the employee (e.g., mileage, and other miscellaneous items).

- A. Employee reimbursement requests may be either typed or handwritten. Instructions for filling out the form are as follows:
 1. Station/Department/Division – the station or department/division assignment of the employee.

2. Employee – the name of the employee supplying the items being purchased on the “Reimburse To:” line.
3. Date – the date the expense was incurred (usually the date on the receipt).
4. Description/Reason – for what purpose the funds were spent.
5. Cost Center – the numbers of the cost center to be expensed.
6. Account Number – the numbers of the account to be expensed.
7. Amount – the amount to be expensed against each specific account number.
8. Employee’s Signature – the individual requesting the reimbursement should complete the “Signature” line.
9. Approval – the department/division manager or authorized designee of the cost center being expensed should complete the “Approval Signature” line. If the employee is a Director, Deputy Chief, the Finance Director or the Fire Chief or designee will approve the form.
10. Supporting documentation – itemized paperwork to support the expenditure must be attached (e.g., personal charge slip, mileage documentation).

VIII. PERSONAL SERVICES CONTRACTS

When the District plans to use a personal services contract a Requisition Order must be completed for all procurements.

- A. The District will have a personal services contract completed in duplicate (one original for the vendor and one for the District) and signed by the Fire Chief or designee and the vendor, if the amount is equal to or greater than \$1,000.
- B. The District will follow all rules for personal services contracts with the exception of the three quotes requirement if \$150,000 or less. The three quotes may not apply for personal services contracts, but justification should be provided for backup and explanation of why the three quotes did not apply. Board approval will be required if the contract is equal to or greater than \$50,000.
- C. If the contract is equal to or greater than \$150,000, the Local Contract Review Board must approve and agree with the justification. Board approval is required for the contract and procurement.
- D. Pursuant to [ORS 279A.070](#), based on the District’s adoption of the following competitive processes from screening and selection of persons to perform

Personal Services, public contracts for personal services are not subject to the competitive bidding processes of ORS Chapters 279A, 279B, and 279C.

1. “Personal Services” shall include those that require specialized technical, creative, professional, or communications skills or talents unique and specialized knowledge, or the exercise of discretionary judgment, and for which the quality of service depends on attributes that are unique to the service provider. Such services shall include, but are not limited to: agents of record, architects, engineers, medical advisors, physicians, financial advisors, surveyors, attorneys, accountants, auditors, computer programmers, investment and real estate brokers, artists, designers, performers, underwriters, and consultants.
2. Unless otherwise provided in these rules, the Fire Chief or designee shall use reasonable efforts to select Personal Service providers who are deemed to be in the best interest of the District.
3. Contracts for Personal Services other than Architectural, Engineering, Surveying Services, and Related Services may be awarded according to procedures described in ORS 279B.060.
4. Unless otherwise provided in these rules, contracts for Architectural, Engineering, Surveying Services, and Related Services shall be awarded according to the procedures for competitive proposals described in ORS 279B.060, these rules, and consistent with ORS 279C.110.
5. A contract for Architectural, Engineering, and Surveying Services may be entered into by direct appointment, if such contract is estimated not to exceed \$150,000 in a calendar year, or if the project described in the contract consists of work that has been substantially described, planned, or otherwise previously studied or rendered in an earlier contract with the consultant that was awarded under these rules, and the new contract is a continuation of that project.
6. Existing personal service contracts may be extended by direct appointment from year to year.

IX. EXEMPTIONS FROM COMPETITIVE BIDDING ON CONTRACTS

1. The Local Contract Review Board (LCRB) may exempt certain contracts or classes of contracts for procurement of goods and services from competitive bidding according to the procedures described in ORS 279B.085.
2. The LCRB may exempt certain contracts or classes of contracts for public improvement from competitive bidding according to the procedures described in ORS 279C.335. When exempting a public improvement from competitive bidding, the LCRB may authorize the contract to be awarded using a Request for Proposal process for public improvements, according to the processes described in OAR 137-049-0640 through 137-049-0690.

X. INDEPENDENT CONTRACTORS/PERSONAL SERVICES CONTRACTS

Personal services contract is required for independent contractors, which is a type of personal services contract. Clackamas Fire District #1 will provide a standardized system of preparing contracts and billing for independent contractors.

A. PERSONAL SERVICES CONTRACT

The standard District Independent Contractor Agreement and the Confidentiality Agreement, if applicable, should be completed in duplicate (one original for the vendor and one for the District) at minimum; approved by Finance; and then signed by the Fire Chief or designee and the independent contractor. If this is a new vendor, a W-9 will also need to be completed and returned to Finance with the contract.

The contractor will carry public liability insurance for the duration of the contract with the District.

B. SERVICES RENDERED

- a. For a procurement of less than \$1,000 made with an independent contractor agreement, the payment approval process, as outlined in this policy, Section 1 D. Invoices may be followed.
- b. The contractor must submit either an invoice for payment or the District's Independent Contractor Invoice.

XI. SOLE SOURCE PURCHASES

- a. Regardless of the estimated cost of a purchase, the District is not required to engage in price quotation or informal bidding process when purchasing material, equipment, supplies, or services for which there exists only a sole source of supply.
- b. Procedures for Sole Source Purchases
 - i. In making use of the Sole Source procurement option, the District will utilize [ORS 279B.075](#) and [OAR 137-047-0275](#).
 - ii. Staff report will be submitted to the Board outlining determining factors for Sole Source Procurement for approval prior to purchase.
 - iii. Once approved, the Department Head will fill out the Requisition Order and submit it to Logistics for issuance of Purchase Order.

XII. INTERGOVERNMENTAL/COOPERATIVE PURCHASING

For information regarding Clackamas Fire District #1's intergovernmental and cooperative purchasing guidelines, personnel should refer to [ORS 279A.180, to and including 279A.225](#), and/or [OAR 137-046-0400, to and including 137-046-0480](#).

The Logistics Manager or designee will have the authority to join other units of government in cooperative purchasing when it serves the best interest of the District. This

is usually done by entering into intergovernmental agreements with other federal, state, and/or local governments for intergovernmental and cooperative purchasing as needed for the District's benefit.

XIII. REQUEST FOR PROPOSALS (RFP)

Certain purchases will require a Request for Proposal process be followed. These circumstances usually require considerations beyond the price of the product or service. When this occurs it is the District's responsibility to identify the specifications and requirements that would satisfy the need of the District. Contact the Finance Director for assistance with this method of procurement.

- a. In making an award using the request for proposal process in [ORS 279B.060](#), the District may use any evaluation method determined to be most appropriate for the selection process, including, but not limited to, the process described in [ORS 279B.060\(6\)\(b\)](#). The evaluation process(s) to be used shall be stated in the Request for Proposals. [OAR 137-047-0261 through 137-047-0263](#) shall apply to evaluation of proposals. Contact Finance Director for assistance with RFP preparation.
- c. The District shall follow the procedures for public notices of solicitations as stated in statute and the Attorney General's Public Contracts Manual (Model Rules). Model Rules relating to electronic publication shall apply. It is noted, however, that public improvement contracts of \$125,000 or more must also be published in a trade journal of general statewide circulation.
- d. The District adopts the Attorney General's Public Contracts Manual for the rules regarding corrections and withdrawal of bids.

XIV. PUBLIC IMPROVEMENTS CONTRACTS

Information regarding the rules and guidelines for Clackamas Fire District #1's public improvements contracts can be obtained in the DOJ Attorney General's Public Contracts Manual, [ORS Chapter 279C](#), and/or [OAR Chapter 137 Division 49](#).

XV. ETHICS IN DISTRICT PURCHASING

With regard to the following ethical topics listed below and with regard to any other ethical matter not listed herein, the District will follow public contracting rules [ORS Chapters 279A, 279B, and 279C](#), and [OAR Chapter 137, Divisions 46 through 49](#).

- e. Employee conflict of interest
- f. Employee disclosure requirements
- g. Gratuities and kickbacks

- h. Prohibition against contingent fees
- i. Restrictions on employment of present and former employees
- j. Use of confidential information

XVI. PUBLIC ACCESS TO PURCHASING INFORMATION

Purchasing information will be public record to the extent provided in ORS Chapters [279A](#), [279B](#), and [279C](#), [OAR Chapter 137, Divisions 46 through 49](#), and [ORS Chapter 192](#).

Fees for purchasing information will be collected in accordance with the fee structure outlined in the [SOG for Rules for Responding to Public Record Requests](#).

XVII. FAILURE TO FOLLOW PURCHASING POLICY

Employees who do not follow the District's purchasing policy will have their supervisor notified. If problems persist, the supervisor will work with the District's Human Resources Department for resolution of the situation.

XVII. SURPLUS PROPERTY

The Disposal of Equipment and Scrap SOG should be referred to for disposal of surplus property guidelines.

XVIII. DEFINITION AND ABBREVIATIONS

Whenever the following words are used in this Purchasing Manual or referenced documents, the intent and meaning shall be interpreted as follows:

Addenda are written or graphic instruments issued prior to the time of bid opening, which modify or interpret the Bid Documents by additions, deletions, clarifications or corrections.

Alternate Bid is a bid that deviates from set specification and offers or proposes another way of accomplishing the same.

Approval means the process of authorizing an action prior to its execution.

Award means the acceptance of a bid proposal, which results in the presentation of a purchase agreement or contract to a bidder.

Bid means a complete and properly signed proposal to provide the commodities or services or designated portion thereof for the sums stated therein. A bid is submitted in accordance with the Bid Documents.

Bid Bond means an insurance agreement in which a third party agrees to be liable to pay an agency a sum of money in the event the Bidder awarded the Contract does not execute the Contract Document, furnish any required Performance Bond and proceed with performance. The Bond is given to the agency at the time of Bid submittal.

Bid Security means a sum of money, guaranteed check, or other security deposited at the request of Clackamas County Fire District #1 (the "obligee") which guarantees that a Bidder

(“depositor”) awarded the Contract will execute the Contract, furnish any required Performance Bond and proceed with performance. The Bid Deposit given to a Fire District at the time of Bid submittal and released when Performance Bond is received.

Bidder means an individual, firm, or corporate entity submitting a bid (proposal).

Bid Documents include the advertisement or invitation to bid, instructions to bidders, the bid form, other sample bidding and contract forms, and the proposed Contract Documents including all Addenda issued prior to receipt of bids.

Board of Directors or **Board** shall mean the governing board of Clackamas County Fire District #1.

Capital Project means a facility construction or modification project approved by the Clackamas County Fire District #1 Board as part of the Capital Improvement Program.

Change-Order means a written change to the Contract signed by the contractor, Clackamas County Fire District #1 and, where applicable, the consultant, issued after execution of the Contract, authorizing a change in the work or an adjustment in the contract amount or the contract time.

Contract means a valid and enforceable agreement containing four basic elements: (1) agreement resulting from an offer and acceptance, (2) consideration, or obligation, (3) competent parties, and (4) a lawful purpose.

Contract Documents consist of the owner-contractor agreement, the conditions of the Contract (general, supplementary, and other conditions), all drawings, written specifications, and all Addenda issued prior to and all modifications issued after execution of the Contract.

Contractor shall mean any person or entity who furnishes materials, equipment or supplies to, or who performs any service for, the Fire District.

Department Head shall mean the individual responsible for budget and purchasing authority for a station or program.

Division Head shall mean the Deputy Chief or Administrative Chief responsible for many cost centers under his/her division.

Emergency Purchase means purchasing under circumstances, which could not have been reasonably, foreseen and that create a substantial risk of loss, damage, interruption of services, or threat to the public safety that requires prompt action to remedy the situation.

Evaluating a Bid means the process of examining a bid after opening to determine the bidder's price(s), responsibility, responsiveness to requirements, and other characteristics of the bid related to the selection of the bid.

Fire District shall mean Clackamas County Fire District #1.

Formal Bid means a bid, which must be forwarded in a sealed envelope and in conformance with a prescribed format, to be opened at a specified time.

Informal Bid means an unsealed competitive offer conveyed by letter, telephone, e-mail or fax or other means.

Invitation for Bids means a request, verbal or written, which is made to prospective suppliers requesting the submission of a bid on commodities or services.

Local Contract Review Board (LCRB) – means the Board of Directors for Clackamas County Fire District #1 as described under [ORS 279A.060](#)

Lowest Responsible Bidder means the bidder whose bid is in compliance with the specifications in all material respects and whose bid in unit price, total cost of operation or value per dollar is lower than any of the other bidders, and whose reputation, past performance, and

business and financial capabilities are such that they are judged by the appropriate authority to be capable of satisfying the Fire District's needs for the specific contract.

Performance Bond means a form of security executed subsequent to award by a successful Bidder that guarantees the proper execution of the Contract and the payment of debts to persons furnishing services or materials because of the Contract work. The bond is provided by the Contractor prior to Contract execution.

Personal Services (Professional Services) means services provided by an individual, firm or corporate entity where no Fire District job classification exists for the work which is to be performed or where the Human Resource Division has determined that another type of appointment is not practical. Architectural, engineering, physician supervisors, financial, accounting, and legal contracts will be considered separately from standard personal services contracts in accordance with [ORS 279A.055](#) and [OAR Chapter 137](#)

Purchase Order shall mean the form constituting written authorization to a vendor to furnish the Fire District with materials, equipment, supplies or services of the kinds and in the amounts specified.

Responsible Bidder means a bidder whose reputation, past performance and business and financial capabilities are such that the bidder is judged to be capable of satisfying the Fire District's needs for a specific contract.

Responsive Bidder means a bidder whose bid does not materially vary from the specifications and terms set out in the Invitation for Bids.

Specifications means any description of the physical, technical, functional characteristics or of the nature of a commodity, service or construction item. It may include a description of any requirement such as inspecting, testing or preparing a commodity, service or construction item for delivery. It may also include provisions, which govern various aspects of the relation of parties under the Contract.

APPROVED

Ed Kirchhofer
FIRE CHIEF