

Revised: 5/7/14 E.B.

Marin Emergency Radio Authority Purchasing Policy and Procedures

Purpose: To outline the manner in which MERA purchases goods and professional services and procures construction.

Policy: MERA payments for expenditures are made by one of two methods: vendor invoice and ACH/wire transfer. Payment from MERA Funds for expenditures or indebtedness will be made only upon authorization of the Executive Officer, Executive Board or Governing Board where applicable, consistent with Governing Board-approved budgets for all MERA funds, and in accordance with Amendment No. 4 of the Joint Powers Agreement creating the Marin Emergency Radio Authority as follows:

- 1) The Executive Officer shall have the authority to approve expenditures, including but not limited to contracts, contract amendments, purchase orders, and change orders to existing contracts, in an amount not exceeding \$10,000, provided such expenditures are consistent with the adopted annual budget. The Executive Officer shall inform the Executive Board of any such expenditures at its next meeting.
- 2) The Executive Board shall have the authority to approve expenditures, including but not limited to contracts, contract amendments, purchase orders, and change orders to existing contracts, in an amount not exceeding \$100,000, provided that such expenditures are consistent with the adopted annual budget. The Executive Board shall inform the Governing Board of any such expenditures at the next meeting of the Governing Board.

Procedures: To assure effective checks and balances in expenditure approvals, payment issuance, and purchasing at the most favorable price, the following steps are required:

- 1) The Executive Officer reviews all invoices (including monthly/quarterly pro-forma bills from annual invoices) and ACH/wire transfers for accuracy, payment timing, sufficient budget, appropriate account code assignment and authorizes payment.
- 2) The NFPD Accounting Specialist enters invoice information into the accounting system to initiate check issuance or contacts County Auditor-Controller Staff to create wire document(s).
- 3) The NFPD Finance Director reviews approved expenditures for completeness and accuracy and approves check issuance. In addition, the Finance Director authorizes approved payments to the MERA Executive Officer.

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- 4) All checks require two signatures by NFPD personnel (Fire Chief, Deputy Fire Chief or one of the Chief's Battalion Chief designees). Checks are drawn on MERA accounts within the County of Marin, against funds on deposit with the County's bank, Bank of America.
- 5) The NFPD Accounting Specialist encloses checks with original invoices and mails to vendors.

Purchases by Executive Board The Executive Officer shall submit to the Executive Board requests for purchases of goods and professional services and procurement of construction in amounts or estimated amounts in excess of \$10,000, not to exceed \$100,000. Purchases exceeding \$100,000 must be approved by the Governing Board. The Executive Board shall authorize or approve goods and services procurement by one of the following methods:

- Formal Advertising

Procurement by competitive bids and awards is the required method of procurement for purchases of goods and services in excess of \$100,000 unless negotiation is permitted. Bids shall be solicited by public notice, except where the Executive Board or Governing Board makes a finding, recorded in its minutes, that competitive bidding would not be in the public interest. The method and extent of public notice shall be prescribed by the Governing Board in accordance with applicable County requirements. All bids submitted shall be submitted, sealed, to the Executive Officer or designee. The Executive Board or Governing Board may reject any or all bids for any or all goods and services. A tabulation of all bids received, whether accepted or rejected, shall be open for public inspection. Unless all bids are rejected for good cause, award shall be made to the lowest responsible bidder. In determining the lowest responsible bidder, the Executive Board or Governing Board shall take into consideration the quality offered and its conformity with the specifications, the delivery, discount terms, and conditions of the bids, and other information and data required to prove the responsiveness and responsibility of the bidder.

- Negotiation

The Executive Board or Governing Board may negotiate contracts for contractual services as it determines necessary to accomplish sound procurement, and the negotiations shall be conducted in a manner to provide to the maximum practicable extent open and free competition appropriate to the type of work to be performed. Negotiation for contractual services is permitted for the following situations:

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- a. Public exigency, as determined by the Executive Board or Governing Board, will not permit the delay incidental to formally advertised procurement.
- b. The material or service to be procured is available from only one person or entity possessing the unique and singularly available capability to meet the requirement for solicitation.
- c. The procurement is for professional services.
- d. No responsive, responsible bids at acceptable price levels have been received after formal advertising.

- Public Works Projects:

- a. Public works projects of forty-five thousand dollars (\$45,000) or less may be performed by negotiated contract.
- b. Public works projects of one hundred seventy-five thousand dollars (\$175,000) or less may be let by contract by informal procedures as set forth in the County of Marin Uniform Construction Cost Accounting Procedures and in accordance with the State Public Contracts Code.
- c. Public works projects of more than one hundred seventy-five thousand dollars (\$175,000) shall be let to contract by formal bidding procedure as set forth in the State Public Contracts Code.

- Emergency Procurement:

Emergency procurement may be made by the Executive Officer when the supplies, equipment, or services so procured are necessary for the preservation of life or property. Such emergency purchases shall be submitted to the Executive Board for ratification at its next meeting.

- Standards of Conduct:

The officers, members, agents, or contractors of MERA shall neither solicit nor accept gratuities, favors, or anything of monetary value from a vendor or contractor, or potential vendor or contractor. No officers, members, agents, or contractors can participate directly or indirectly in a purchase or procurement where an immediate family member has a financial interest in the business seeking or obtaining a purchase or contract. Violation of the standards in this paragraph shall be cause for removal from office.

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- Documentation:

The Executive Officer shall retain procurement records and files for at least a five (5)-year period after audit, or such longer period as required by applicable statute or legal requirement.

 1. For transactions of less than \$10,000, invoices, sales slips, memoranda on oral price quotations, or other documentation are required as the record supporting the price paid.
 2. For purchases in excess of \$10,000, the procurement records and files shall include the following where applicable:
 - a. Basis for contractor selection.
 - b. Justification for procurement on other than a competitive basis.
 - c. Basis for award cost of price.
 3. Any goods, services or other acquisitions procured by contract by or for MERA shall require provision of a written agreement, memorandum of understanding or similar document to MERA before payment is issued.
 4. A written report from the County must be provided to MERA explaining the cost and purpose of each proposed technical study to be provided by consultants to be hired on specialized matters or to conduct studies for which County staff is not available. A copy of the contract between the County and its consultant or MERA shall be provided to MERA as documentation.
- Unlawful Purchases:

Except as otherwise provided by law and subject to prior approval by the Executive Officer or Executive Board, no purchase of supplies, equipment, or contractual services shall be made in excess of the amount of the appropriations allowed by the budget. Only the Governing Board may amend the budget.

Updated: November, 2012 – name change to Governing and Executive Boards