

POLICY: PROCUREMENT/CONTRACT

The purpose of the Procurement/Contract Policy is to insure the most effective use of Foundation resources by maximizing competition to obtain the best value of goods and/or service for the lowest acceptable price. While the Foundation is under no obligation to select the lowest bid, written explanation for not accepting the lowest bid must be provided to the Authorizing Officials.

To control the expenditure of Foundation funds, the following approval levels and mandatory required bids shall be followed.

GENERAL FUND OPERATIONAL BUDGET		
Amount of Procurement	Minimum Bids Required	Authorizing Official(s)
0 -\$499	Formal bids not generally required	Department Heads: Authorized Department Heads include: Community Relations Manager, Maintenance Director, and Open Space Manager.
\$500 -\$1499	Optional as determined by General Manager	General Manager
\$1500 - \$4999	Minimum of Two	General Manager and Board Management Liaison. May be referred to Finance Committee and/or Board at the discretion of the Management Liaison.
\$5000 and more	Minimum of Two; Three Preferred	General Manager, Board Management Liaison, and Board Treasurer. May be referred to Finance Committee and/or Board at the discretion of the Management Liaison or President.

RESERVE FUND/CAPITAL ITEMS IN CURRENT BUDGET		
\$0 - \$999	Items under \$1000 are not capitalized under our Fixed Asset Capitalization Policy that is attached	
\$1,000 and more	Minimum of two	General Manager and Board of Directors May be referred to Finance Committee at the discretion of the Board.

RESERVE FUND/CAPITAL ITEMS NOT IN CURRENT BUDGET		
\$0 - \$999	Items under \$1000 are not capitalized under our Fixed Asset Capitalization Policy that is attached.	
\$1000 - \$4999	Minimum of two	General Manager and Board of Directors May be referred to Finance Committee at the discretion of the Board.
\$5000 – and more	Minimum of two	General Manager, Finance Committee,

PROCUREMENT PROCEDURES

SOLE SOURCE PROCUREMENT (Single Purchase over \$1000): It is recognized that in some few and unusual procurements, obtaining competitive bids may not be practical or necessary. On this basis, procurement up to \$2499.99 may be obtained from a Sole Source only if a written Sole Source justification is submitted to the General Manager by the responsible Department Head that requires the procurement. (See attached Sole Sourced Justification Form.)

Authorized Department Heads include the Community Relations Manager, Maintenance Director, and Open Space Manager.

Sole Source Procurements valued at \$2500.00 or more must be approved by the Finance Committee and Board of Directors prior to contracting with the vendor. The General Manager will retain on file all Sole Source justifications for a period of two (2) years.

APPROVED VENDOR LIST: A list of vendors and contractors is maintained in a binder in the Foundation office. Vendors/contractors are listed based on prior history, service level, and competitive pricing. This binder is used as a reference point for all operational procurements.

EMERGENCY PROCUREMENTS: If an emergency procurement of less than \$5000 is required, the General Manager is the authorizing official. If the General Manager is not available, the Community Relations Manager may act as the authorizing official.

Emergency procurement over \$5000 must be approved by the General Manager, or his/her absence, the Community Relations Manager, and the President, or in his/her absence, the Vice President or Treasurer.

All emergency authorizations must be produced in writing within five (5) business days after the procurement is made.

INVOICE PROCESSING: All invoices shall be processed and coded to the correct budget line item by the Community Relations Manager. The General Manager will approve all invoices to be paid after the Community Relations Manager has processed them. The original invoices are then sent to the Foundation accounting firm for payment. Copies of all paid invoices will be maintained at the Genesee Foundation. The Finance Committee and Board of Directors will get a copy of account distribution report monthly.

PETTY CASH CHECKBOOK: There is one Petty Cash Checkbook authorized by the Genesee Foundation. It has a balance of \$4500, of which any amount can be charged to any budget line item. Each check can be written for a maximum amount of \$400. Two people are authorized to sign the Petty Cash Checks, the Community Relations Manager and the General Manager.

The Petty Cash Checkbook shall be balanced, at least once a month, by both the Community Relations Manager and Foundation accounting firm. The checkbook register is available in the Office for review by the Finance Committee and Board of Directors. At year end, the Petty Cash Checkbook is sent to the Auditors for inclusion in the annual audit or review.

BIDS: Once a bid has been accepted by the Board and the project begun, additional expenses incurred due to unforeseen circumstances cannot exceed 10% of the original bid price unless approved by the Finance Committee and Board of Directors.

APPROVED BY: Board of Directors
SUPERCEDES: None
APPLICABILITY: All purchases
APPROVAL DATE: November 2, 2005
EFFECTIVE DATE: November 2, 2005

REVIEW DATE: 2009 (4 year)

SOLE SOURCE JUSTIFICATION

Vendor Name: _____

Service/Job Provided: _____

Estimated Project Cost: _____

Length of Business Relationship: _____

Justification: _____

Signed By : _____

Date: _____

Approved By: _____

Date: _____