

# **Maine County Commissioners Association Purchasing Policy**

## **I. Purpose**

The purpose of this policy is to establish purchasing procedures to be utilized by all Maine County Commissioners Association (MCCA) employees, as well as committees that receive budgetary appropriations from the MCCA.

It is the responsibility of the MCCA's employees and committees to purchase goods or services that provide the best value consistent with the needs of the MCCA. The goods and services shall be purchased within the restrictions of the budgeted funds available. Unless otherwise provided by law, the MCCA shall make purchases of goods or services as stated in this policy.

## **II. Purchases, Bids, Awards, and Contracts**

- A. Purchases for goods or services which involve expenditures of less than \$1,000 may be made after the MCCA's Executive Director/Purchasing Agent or her/his designee has shopped for the best all-around price and quality for the product or service desired and approved by the Executive Director. Board and committee purchases must be approved by the board or committee chairperson and the MCCA Executive Director.
- B. Purchases from approved vendors "on account" must be approved in advance by the Executive Director when the cumulative monthly total will exceed \$500.
- C. Purchases for goods or services, which involve expenditures with a cumulative total of \$1,000 to \$5,000, may be made after at least three (3) recorded quotations are received and approved by the Executive Director. (See attached form.) The competitive bid process described below may also be used if the MCCA Executive Director or the Board of Directors determines that it is in the best interests of the MCCA for situations such as complex technical needs or services.
- D. The MCCA may accept contract pricing for goods or services; however, it is not obligated to purchase from a vendor who guarantees a rate if a lower price is available.
- E. The procurement of goods or services, which involves expenditures of more than \$5,000, must be done through a competitive bid process under the direction of the Executive Director.

## **III. Competitive Bid Process**

- A. The MCCA Executive Director shall ensure that the invitation to bid includes:
  - 1. Specifications for the goods or services

## **Maine County Commissioners Association Purchasing Policy**

2. Public notice given on the MCCA web site and in local newspapers as determined by the MCCA Executive Director.
  3. Statement that sealed bids will be accepted.
  4. Statement of the time and place of the public bid opening.
- B. Bids may be awarded to the lowest bidder who meets the specifications and submits proper insurance requirements, if applicable. However, if supporting information presented recommends another bid, the Board of Directors may award the bid to another bidder who better meets requirements. In any case, the Board of Directors shall make the final decision if supporting information justifies other than the low bid be awarded. The Board of Directors may reject any or all bids, if it deems it is in the best interest of the MCCA to do so.
- C. The Board of Directors may waive the competitive bid process when:
1. Emergencies or justifiable special circumstances require the timely procurement of goods or services;
  2. There is only one source of supplier; or
  3. The service or products are received through the state or other joint bid processes.

### **IV. Payment for Goods or Services**

- A. Payment requests for any purchases of \$1,000 or *more* must include:
1. Requisition/Invoice signed as approved by Executive Director and MCCA Secretary-Treasurer;
  2. Account to be charged written on the Requisition Form; and
  3. Invoice.
- B. Payment requests for purchases *less* than \$1,000 must include:
- Invoice with the account to be charged written on the invoice and signed as approved by the Executive Director.
- C. Credit Card Purchases

The Executive Director is the only person who can authorize the issuance of a new credit card. All requests shall be submitted from department manager to the Executive Director in writing.

The use of a MCCA credit card is subject to the following restrictions:

1. No cash advances

## **Maine County Commissioners Association Purchasing Policy**

2. The credit card limit shall be \$2,500.
3. No personal or private expenditures
4. No regular operating expenses (e.g., monthly telephone charges, office supplies, etc.)
5. No charges from active vendors or vendors that will invoice MCCA
6. No late fees or interest payments shall be reimbursed; these are the personal responsibility of the card holder if the charges are due to the employee's late submission of the necessary invoice/receipt, and must be paid within sixty (60) days.
  - i. If there are three (3) instances of interest and/or late fees in any twenty-four (24) month period as a result of the employee's late submission of the necessary invoice/receipt, the card will be cancelled.
7. A detailed receipt must accompany each expense charge; summary invoices that only list a total and don't provide detail will not be accepted. In some cases an explanation of the charge might be required. For example, if the expense is for meals or food, note on the receipt if it was for a luncheon meeting and how many by name were included on the bill. Clear documentation and receipts shall be submitted immediately after the transaction has been made to department manager or his/her designee for payment processing. One receipt shall be provided for each charge on the card. All statements shall be reviewed and reconciled prior to forwarding to the Administrative Office monthly. Expenses without proper documentation shall be the responsibility of the employee.

Violations of MCCA's Credit Card Policy may result in disciplinary action, up to and including termination of employment and/or prosecution.

### **V. Accounting for Purchases**

- A. Posting of purchases to the appropriate budget line is required. If the purchase will create an overdraft position (negative balance) in the budget line, the purchase must be approved in advance by the MCCA Executive Director. The budget line may then be frozen to any additional purchases.
- B. Any purchase required as an operational necessity of the MCCA that will further overdraw a budget line must be approved in advance by the MCCA Executive Director.

### **VI. Amendments, State Laws and Limitations**

- A. This policy may be changed by a vote of the Board of Directors from time to time.
- B. Any part of this policy is subject to present and future laws of the State of Maine that regulate governmental spending. Conflict between this policy and Maine law shall be resolved in favor of Maine law.

**Maine County Commissioners Association  
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Adopted this 12<sup>th</sup> day of November, 2014.

Approved: \_\_\_\_\_  
President, MCCA Board of Directors

Attest: \_\_\_\_\_  
Executive Director

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Purchasing Policy**

**REQUEST FOR QUOTATION**

Date: \_\_\_\_\_

**PURCHASE INFORMATION:**

Vendor: \_\_\_\_\_ Amount: \$ \_\_\_\_\_

Item(s) purchased: \_\_\_\_\_

Account(s) to be charged:   # \_\_\_\_\_ \$ \_\_\_\_\_

  # \_\_\_\_\_ \$ \_\_\_\_\_

  # \_\_\_\_\_ \$ \_\_\_\_\_

**QUOTATIONS FOR PURCHASES**

**\$1,000 - \$5,000**

Three (3) quotations must be recorded before the purchase order is authorized. Purchase order will not be processed without the following quotations.

VENDOR	PRICE
1. _____	\$ _____
2. _____	\$ _____
3. _____	\$ _____

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**MCCA Executive Director Authorization**

Authorization: \_\_\_\_\_ Date: \_\_\_\_\_

Explanation for Vendor Selection: \_\_\_\_\_

\_\_\_\_\_

# PURCHASE REQUISITION

MCCA Budgetary Account Number: \_\_\_\_\_

Company: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[illegible]

\_\_\_\_\_  
Authorized by Executive Director \_\_\_\_\_  
**Secretary-Treasurer**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ Date

Date