



Village of Ruidoso

Procurement Policies & Procedures Manual

UPDATED 10-1-2009

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CHAPTER I: GENERAL PROVISIONS

OBJECTIVE

These policies and procedures are developed to ensure consistent and effective procurement activities for the purchasing office, departments, personnel, individuals, or other users authorized to make purchases from public funds budgeted, controlled by, or otherwise under the supervision of the Village of Ruidoso.

This Procurement Policies and Procedures Manual replace (supersede) any and all previous Village of Ruidoso procurement policies whether written or oral. Should any provisions in this manual be found to be invalid and unenforceable, such findings do not invalidate the entire manual, but only that particular provision.

The purpose of this Procurement Policies and Procedures Manual is to provide for the fair and equitable treatment of all persons involved in public procurement, to maximize the purchasing value of public funds and to provide safeguards in order to provide a procurement system of quality and integrity. (§ 13-1-29 NMSA 1978)

ADMINISTRATION

The responsibility for administration of the provisions of this policy shall be under the Director of the-General Services Department.

The Purchasing Agent shall be responsible for having the knowledge to insure that all provisions of this policy and all other purchasing concerns and activities of the Village of Ruidoso are appropriate and consistent with the most current generally accepted purchasing techniques and all provisions of the law.

SCOPE

Except for expenditures exempt from state statutes, this procurement policy applies to every expenditure by the Village of Ruidoso for the procurement of items of tangible property, services, and construction (§13-1-28 to §13-1-199 NMSA 1978, 1997 Repl.).

CONSISTENCY WITH STATE PROCUREMENT CODE

The provisions of this policy are subject to change. Where this policy or any revision of this policy is inconsistent with the State Procurement Code or Statutes, the State Code and Statutes shall prevail.

DISTRIBUTION

All purchase users shall be given a copy of this policy and any revisions and notified of the effective date.

PURCHASING AGENT AND CENTRALIZED PURCHASING

The Purchasing Agent, Purchasing Office, and Centralized Purchasing are the general terms for the individuals or offices designated by the Village Manager to fulfill the responsibility and functions of this policy. The primary objective of the Purchasing Office is to provide timely and responsive support to Village Departments. The primary functions of the Purchasing Office are:

- To purchase supplies, materials, equipment, and services as requested by user departments.
- To provide guidance and training to user departments on procurement code.
- To formulate procedures and recommend policy changes concerning purchasing.

POLICY SUPPLEMENTS

The Purchasing Agent shall have the responsibility to insure that all provisions of the law and this policy are followed and shall be responsible for issuing any supplements or supplement revisions necessary to administer, manage, or clarify this policy. Supplements or supplement revisions shall be approved by the Village Manager and copies of all supplements shall be attached to and made a part of this policy.

In any case that a provision of the policy is vague or unclear, the Village Manager may provide a written supplement for clarification of the provision. The written clarification will be attached and made a part of this policy. The supplement will be distributed to all departments and users.

POLICY RESOLUTIONS

Any amendment of this policy shall be executed by resolution and approved by the Village of Ruidoso Governing Body.

PERSONAL USE PROHIBITED

Employees are prohibited from making any purchases for the purpose of personal or private use.

CIVIL PENALTIES

Persons knowingly violating the State Procurement Code, State Statutes, or this policy may be subjected to a civil penalty of up to \$1,000 for each violation in accordance with the New Mexico State Statutes. In addition, persons violating this policy, State Statutes, or the State Procurement Code may be subject to disciplinary action up to and including termination of employment by the Village. (§13-1-196 NMSA 1978)

UNLAWFUL PARTICIPATION

It is unlawful for any local public body employee, as defined in the Procurement Code (§13-1-28 to §13-1-199 NMSA 1978, 1997 Repl), to participate directly or indirectly in a procurement

when the employee knows that the employee or any member of the employee's immediate family has a financial interest in the business seeking or obtaining a contract.

CHAPTER II: AUTHORITY TO PURCHASE

DEFINITION OF A PURCHASE

For the purpose of this policy a purchase includes the execution of any expense to be made from Village funds.

USER AUTHORITY AND RESPONSIBILITY

Purchasing authority is limited to individuals authorized by the Department Director/Managers to make purchases. A Department Authorization Signature Form (see Attachment 1) documenting all authorized users shall be submitted to the Purchasing Agent. This form will provide the name and signature of all authorized users and will be approved by the Department Director/Manager. All authorized users shall receive and sign for a copy of this procurement policy, and such users shall thereby be responsible for the knowledge and appropriate compliance and application of the policy.

CHAPTER III: STANDARD PURCHASING METHODS

STANDARD PURCHASING

The provisions of this section apply to all standard purchases. "Standard Purchases" are described as systematic, planned, and necessary purchases for administration and operation of a project, division, and/or department.

There shall be no exception to these standard purchasing methods except as provided in Non-Standard (Urgent or Emergency) Purchase Methods described in Chapter V of this policy.

A. PURCHASE REQUISITION METHOD

All standard purchases require a written Village of Ruidoso Requisition (see Attachment 2) be completed and be submitted to the Purchasing Office prior to making a purchase. User Departments shall not make an actual purchase until a Requisition has been submitted to Purchasing and a Purchase Order Number has been received from the Purchasing Office.

Purchase Requisitions shall be approved by an authorized user and will contain all required information. Requisitions which do not include complete information will be returned to the person preparing the requisition. Instructions for purchase order completion include:

Date – Record the date the requisition is prepared.

Fund and Department -- Enter the fund, the name of the department, and number of department or division initiating the requisition.

Line Item – Account – Show the appropriate budgeted line item account number. This is used to ensure the costs of the items purchased will be appropriately charged.

Budget balance – Record the approximate balance remaining for expenditures. If a budget change is needed, the Department Director/Manager may consult the Financial Management Manual for procedures.

Date Received – The Purchasing Department will record the date the form is received.

Purchase Order Number – The Purchasing Agent or designee will issue the Purchase Order Number upon approval of Requisition.

Delivery address – Indicate either the Central Purchasing Warehouse (311 Center St.) or the Department address.

Vendor Name, phone number, and contact – Record all vendors contacted for pricing.

Description – Record the description of the items or services. The description must be sufficient to completely identify the item being purchased and to allow processing of the requisition without additional information. Commonly used items may be identified by brand names.

Quantity – Specify a unit and the approximate amount per unit being requested. Units may be “each,” “box,” “gallons,” “reams,” “pounds,” etc.

Unit Price – State the unit price quoted for each vendor. These should correspond with the vendors listed above.

Low Quote – Extended Price – Show the calculated price by multiplying the unit price and quantity to be ordered from the low quote vendor.

Total Quote by Vendor – Show the total of extended price of all items to be ordered.

Selected Vendor Number – Indicate the name of the vendor that the Purchase Order will be issued to. If the vendor has not done business with the Village before, all information must be filled out in order for Purchasing to set the vendor up in the system. A W-9 form must be attached for any new vendor. Vendor lists can be requested from Purchasing.

Requisitioned by – Indicate the employee who prepared the form and requested the pricing. The person completing the requisition does not have to be an authorized user, but the requisition will need to be signed (approved) by an authorized user before submitting the Requisition to Purchasing.

Department Director/Manager/Authorized Signature – The authorized user is responsible for double checking all items on the Requisition before signing.

Purpose – Explain why this purchase is necessary. All purchase requisitions and purchase orders are public information and should explain why the requested purchase is needed. We must always remember this is public money.

PURCHASE ORDER NUMBER

A purchase order number is an authorization to make a purchase. A purchase order number must be obtained by the purchaser prior to executing a purchase. Purchases are not approved without a purchase order number.

Notes:

- ✓ Purchase Order Number will not be issued without the proper documentation (requisition) and no purchase can be made without a purchase order number.
- ✓ It is the responsibility of the purchaser to inform the vendor that the purchase order number must be included on the invoice submitted to the Village in order for payment to be made.

B. PROCUREMENT CARD/PURCHASING CARD METHOD

The purchasing card program is a purchasing tool which provides an extremely efficient and effective method of purchasing for the Village. The purchasing card works like a personal credit card and will enable cardholders to make allowable purchases. Purchases can be completed with suppliers over the phone, internet, or in person, however, the purchaser is responsible for obtaining a receipt from the business.

Built-in card features make the program easy to control and reduces processing costs by minimizing the number of procurement related invoices and checks. Purchases made with the purchase card do not require approval in advance. The only exception to this is any IT related purchases exceeding \$100.00 per item regardless if is hardware or software.

The supplier is the vendor from whom a cardholder is making a purchase. The purchasing card is welcomed by over 15 million suppliers worldwide. When accepting the card for business purchases, suppliers need not send invoices since they will receive payment directly from Bank of America (via the card association) within 48 hours. All a supplier will need to do is give a paid receipt to the cardholder.

The card limit will be designated by the General Services Director and/or the Village Manager and based as follows:

- Department Director/Manager and Senior Staff \$5,000.00 a month
- Middle Management \$2,500.00 a month
- Field Staff/Support Staff \$1,500.00 a month

CARDHOLDER ELIGIBILITY

Criteria to receive a purchasing card include:

- The applicant must be an employee of the Village of Ruidoso.
- An application must be approved by the requestor's Department Director/Manager and returned to the General Services Department Director.
- Each individual cardholder must sign a Purchasing Card Agreement form provided by the Program Administrator (see Attachment 1).

RESPONSIBILITIES

CARD ISSUER (Bank of America)

- Issuing purchasing cards to approved Village of Ruidoso employees
- Providing electronic transaction authorization
- Billing the Village for all purchases made on the Village's Purchasing Cards

PURCHASING CARD PROGRAM ADMINISTRATOR RESPONSIBILITIES

The Director of General Services and/or the Village Manager or their designee serves as the Purchasing Card Program Administrators. Administrative duties are delegated to the Village Purchasing Agent and include:

- Serving as the main contact for the Village of Ruidoso
- Acting as the liaison with Bank of America

- Acting as the intermediary for establishing and maintaining purchasing card management reports
- Coordinating all cardholder maintenance (adds, changes, and closures with the card issuer)
- Generating and issuing purchasing card reports for Department Director/Managers by the 2nd of each month
- Coordinating bill payment and monitors overall performance of the program
- Reconciling the Bank of America statement with the electronic file
- Reviewing approved employee cardholder applications for completeness of required information
- Providing training materials to managers and employee cardholders before issuing a purchasing card
- Having the cardholder sign a Purchasing Card Agreement (Attachment 1), signifying agreement with the terms of the purchasing card program
- Retaining signed Purchasing Card Agreements in a secure location
- Ensuring that lost or stolen cards have been blocked by the Village
- Forwarding supplier set-up requests to Bank of America
- Assisting cardholders with erroneous declines, unresolved supplier disputes, lost/stolen cards and fraudulent charges
- Inputting line items on each transaction for each department
- Downloading file from the electronic reporting software for payment
- Assisting in review of cardholder memo statements and other documentation as required by the Village of Ruidoso

CARDHOLDER

The cardholder is a Village of Ruidoso employee who is approved by their Department Director/Manager to use the purchasing card to execute purchase transactions on behalf of the Village of Ruidoso.

The purchasing card will be issued in the employee's name with the Village of Ruidoso's name clearly indicated on the card. The purchasing card is a corporate charge card which will not affect the cardholder's personal credit. However, it is the cardholder's responsibility to ensure that the card is used within the guidelines in the Village of Ruidoso policies. Failure to comply with program guidelines may result in permanent revocation of the card, notification of the situation to management, and/or disciplinary measures up to and including termination.

CARDHOLDER RESPONSIBILITIES

- Ensuring the purchasing card is used for legitimate business purposes only
- Maintaining the purchasing card in a secure location at all times
- Never allowing other individuals to use your purchasing card
- Adhering to the purchase limits and restrictions of the purchasing card and ensuring the total transaction amount of any single transaction does not exceed the limit set for the cardholder
- Obtaining a receipt for all transactions
- Maintaining a purchasing card log for all purchases made

- Submitting the Purchasing card log each month to the Purchasing Manager for review
- Attempt to resolve billing disputes directly with the supplier. If unable to resolve the dispute, the cardholder should contact the Purchasing Card Administrator or designee and fax the required dispute form to Bank of America
- Ensuring that an appropriate credit for the reported disputed item or billing error appears on a subsequent cardholder statement
- Must not accept cash in lieu of a credit to the purchasing card account
- Immediately report a lost or stolen card to Bank of America at 1-800-538-8788 (24 hours a day, 365 days a year)
- Immediately notify the Program Administrator and Department Director/Manager of a lost or stolen Purchasing Card at the first opportunity during normal business hours
- Return the purchasing card to the Department Director/Manager upon terminating employment or transferring departments within the Village of Ruidoso
- Contact the Program Administrator if a supplier does not accept credit cards
- Report erroneous declines or fraudulent charges to the Department Director/Manager and the Program Administrator during normal business hours

DEPARTMENT DIRECTOR/MANAGER RESPONSIBILITIES

- Approving and submitting purchasing card applications for their employees to the General Services Department for management approval
- Overseeing the purchasing card activity of the cardholder
- Ensuring the purchasing card is used for legitimate business purposes only
- Designate a default cost center for the purchasing card. Each department is responsible to code each purchase with the fund-line item that will be used for each purchase. No purchase will be made to be charged to another department's line item without prior approval from the General Services Department and/or the Village Manager
- Ensuring that all purchases are recorded on the Purchasing Card log with receipts attached.
- P-card log will be turned in to purchasing after reviewing the purchasing card log and signing.
- Receiving and review cardholder statement and receipts and compare to electronic and/or paper reports received from the Program Administrator. The reports will be generated and sent to the cardholder's Department Director/Manager by the 2nd day of the month.
- Reviewing cardholder statement and transactions and ensure that all cardholders have correctly submitted statements and receipts
- Reviewing management reporting to monitor compliance with the Village of Ruidoso's policies and procedures
- Providing approval by signing cardholder statements and forwarding to the Program Administrator within three working days after receipt and verification of charges against of monthly statement
- Informing the Program Administrator when cardholders transfer to different departments

- Informing the Program Administrator of cardholder blocking code or credit limit profile change
- Informing the Program Administrator when cardholders terminate employment
- Informing the Program Administrator if a cardholder violates the policies and procedures as documented in this policy. This information will be relayed to the General Services Director and Village Manager. Failure to comply with program guidelines may result in revocation of the card, and/or disciplinary measures up to and including termination
- Returning purchasing cards for cardholders who have been transferred, no longer need the card, or have left the Village's employment. Cards must be returned to the Program Administrator.

FINANCE RESPONSIBILITIES

- Monitoring the Bank of America paper and/or electronic reports to review the purchasing card program
- Receiving and reviewing Bank of America bills sent electronically by Program Administrator
- Managing and analyzing exception reports
- Processing electronic billing uploads to fiscal for proper cost center and G/L distribution
- Preparing payment to Bank of America by the 3rd of each month for wire transfer

CARDHOLDER ACCOUNT CLOSURE

The Program Administrator is required to close an account if a cardholder transfers to a different department, moves to a new job not requiring a purchasing card, or terminates employment. Accounts may be closed under the direction of the General Services Department Director and/or Village Manager for reasons including, but not limited to:

- The purchasing card is used for personal or unauthorized purposes
- The purchasing card is used to purchase alcoholic beverages or any substance, material, or service which violates the Village of Ruidoso policy, law, or regulation pertaining to the Village of Ruidoso
- The cardholder allows the card to be used by another individual
- The cardholder splits a purchase to circumvent the purchase credit limit of the purchasing card
- The cardholder uses another cardholder's card
- The cardholder fails to provide receipts for all transactions
- The cardholder fails to provide, when requested, information about any specific purchase
- The cardholder accepts a cash refund in lieu of credit to the purchasing card account
- The cardholder does not adhere to the Village of Ruidoso policies regarding procurement

SAMPLE RECOMMENDED PURCHASES

- Office Supplies
- Subscriptions
- Operating Supplies
- Conference Registrations
- Postage
- Fuel
- Misc. Travel Expenses
- Lodging/meals

On travel that is pre approved, if you are to be gone for over 12 hours or more the allowed per diem for meals is \$30.00 a day for in state travel and \$45.00 a day for out of state travel.

PROHIBITED PURCHASES

- Capital Items
- Professional Service
- Personal Transactions
- Liquor

If there is any question as to whether a transaction is allowed or not, the cardholder should contact the Program Administrator.

SUPPLIER BLOCKING

Transactions will be blocked at the point of sale for the types of suppliers included on the Blocked Merchant Category Classification Code Listing. Changes to the blocking list can be made as demonstrated by business need. A cardholder should obtain approval from their Department Director/Manager before asking the Program Administrator to change the blocking list associated with the cardholder's profile at Bank of America.

The purchasing card is to be used only for the purchase of goods. The spending limit will vary and will be established based on the needs of the user. Any exception must be approved by the cardholder's Department Director/Manager before requesting the Program Administrator to change the cardholder's profile with Bank of America.

ERRONEOUS DECLINES

If the cardholder feels that the purchasing card has been erroneously declined by a supplier, the Program Administrator should be contacted for assistance. The Program Administrator will contact Bank of America to determine the reason for the decline and will make appropriate changes to the cardholder's profile.

If a decline occurs outside of normal Village of Ruidoso business hours, the employee must find an alternate payment method or terminate the purchase and contact the Program Administrator during normal business hours.

CREDITS

Suppliers should issue all credits for returned merchandise or services to the individual purchasing card account for any item they have agreed to accept for return. **UNDER NO CIRCUMSTANCES SHOULD A CARDHOLDER ACCEPT CASH IN LIEU OF A CREDIT TO THE PURCHASING CARD ACCOUNT.**

UNRESOLVED DISPUTES AND BILLING ERRORS

The cardholder is responsible for contacting the supplier to resolve any disputed charges or billing errors within 60 days of receiving a statement. If the matter cannot be resolved with the supplier, the cardholder should:

- Contact Bank of America at 1-800-538-8788 directly for assistance
- Fax a signed Bank of America Dispute Form to Bank of America at 1-800-253-5846 to document the reason for the dispute
- If the dispute is resolved in the cardholder's favor, a credit in the amount of the disputed transaction will appear on a subsequent cardholder statement
- Contact the Program Administrator for assistance if an acceptable resolution is not obtained

C. PETTY CASH METHOD

This procedure is established to enable departments to make small purchases under \$25.00 without going through the purchase order process. The purpose is to grant flexibility to departments for acquiring very small supplies when required immediately. The use of a petty cash fund shall be restricted to those departments whose historical expenditure records justify such utilization as determined by the Director of General Services Department. See the Financial Management Manual for petty cash procedures.

D. BLANKET PURCHASE ORDERS

Blanket purchase orders are utilized for numerous and repeated daily purchases which are anticipated over an extended period of time. It allows the use of a single purchase order issued for a specific period of time, and is issued to a specific vendor from which the departments make routine and repeated purchases. Blanket purchases orders are approved by the Purchasing Agent. Examples of Blanket Purchase Orders are American Linen, Becker's Mountain Laundry, and Ruidoso Pest Control.

To initiate a blanket purchase order, the user must submit a purchase requisition to Purchasing for the service or product and vendor. A purchase order number will be issued upon approval. The purchase order must be clearly marked "Blanket Purchase Order." That blanket purchase order will be valid for the remainder of that fiscal year. If services or products are to continue into a new fiscal year, a new blanket purchase order must be submitted to Purchasing.

Under no circumstances are blanket purchase orders to be used for the purchase of capital goods or equipment.

E. ROUTINE MONTHLY PURCHASES

No purchase order numbers are required for routine monthly purchases. Routine monthly purchases include utility bills or other service charges and purchases such as professional services, lease purchases, memberships, subscription fees, purchases of real property, funds appropriated for support to other agencies, or other purchases requiring special purchase

considerations. The Purchasing Agent shall assist departments in determining when this method is appropriate.

CHAPTER IV: SPECIAL FUNDS PURCHASING PROCEDURES

Budgeted funds for specialized activities, such as special boards, undercover operations, etc., shall be specifically appropriated by the Village Council. The Finance Director shall be responsible for preparing written supplements establishing safeguards, provisions, and procedures to insure appropriate accounting and maximum accountability for such funds. The Department Director/Manager shall be the custodian strictly responsible for the appropriate use of these funds. The Department Director/Manager shall sign for a copy of such written procedures, and certified copies of updated procedures shall be attached to and made a supplement of this policy.

GENERAL

This procedure is established to give guidelines for handling the financial transactions of boards and committees, hereinafter called Boards, which are established and members are appointed by the Village Council. Funds for the Boards are specifically appropriated by the Council through the budget process, and are required to be accounted for.

PROCEDURES

- (A) All Boards established by the Council with appropriations of public funds, and/or grants awarded to the Village shall have an appointed employee to act as the controller for all Village financial transactions. The employee shall be from the department that would be directly involved in the directions of the Board. When a department is not directly involved or related, the employee will be appointed by the Village Manager.
- (B) Duties and Responsibilities of the appointed employee (Liaison):
 - ✓ Remain knowledgeable of all Village Procurement and Operational Procedures
 - ✓ Account for and maintain receipts for all funds collected by the Board's activities, as per the procedures set forth by the Finance Director
 - ✓ Initiate purchases as approved for the Board and that have been allocated in the current fiscal year's budget by the Council. All procurement regulations apply.
 - ✓ Prepare, submit, and follow through with all paper work required by any grant awarded to the Village in direct relation to the Board.
 - ✓ Supply information requested by the Village Council, Village Manager, Deputy Village Manager(s) and/or Finance Director

CHAPTER V: NON-STANDARD PURCHASING METHODS

GENERAL PROVISIONS

The provisions of this section include all purchases which are considered urgent or emergency and cannot, therefore reasonably follow the standard purchasing procedures. Urgent or emergency purchases are normally due to insufficient time required for standard processing, but must follow the guidelines established in this section. It is the responsibility of the User Authority to insure that all purchases made under provisions of this section are immediate and unforeseen. Questionable purchases may be reviewed by the Village Manager and/or the Director of General Services. See Chapter VI.

Non-standard methods (emergency or urgent) should be utilized only if standard purchasing options are available.

A. URGENT PURCHASE

An urgent purchase is a local or non-local purchase made after normal working hours of the Purchasing Office, which justifiably requires immediate purchase, and which cannot be telephoned in to the Purchasing Office to obtain a purchase order number prior to the purchase being made.

All urgent purchase requisitions shall be approved by the Department Director/Manager or designee.

Procedure

All urgent expenditures shall be approved by the completion of an Emergency/Urgent Purchase Memorandum. See attachment 4. This form includes a written justification for purchases and must be completed within 24 hours of the urgent situation.

When the Emergency/Urgent Purchase Memorandum is completed and signed by all required persons, a purchase order will be issued. This memorandum must be attached as documentation for the expenditure.

B. EMERGENCY PURCHASE

An emergency purchase is only permissible when there is an existing condition which creates a threat to public health, welfare, or safety or property such as may arise by reason of floods, fires, epidemics, riots, acts of terrorism, equipment failure, or similar events and includes the planning and preparing for an emergency response.

The existence of the emergency condition creates an immediate and serious need for services, construction, or items of tangible property that cannot be met through normal procurement methods and the lack of which would seriously threaten the functioning of government; the preservation or protection of property; or the health or safety of any person. (§13-1-127 NMSA 1978)

An emergency condition must be determined by the Village Manager and/or a Deputy Village Manager. The Central Purchasing Office shall maintain all emergency procurement records for a minimum of three years. The record of such procurement shall be public record and shall contain, at a minimum: (§13-1-128 NMSA, 1978)

- ✓ The contractor's name and address;
- ✓ The amount and term of the contract;
- ✓ A listing of the services, construction or items of tangible property procured under the contract.

Procedure

All emergency expenditures shall be approved by the completion of an Emergency/Urgent Purchase Memorandum. See attachment 4. This form includes a written justification for purchases and must be completed within 24 hours of the emergency situation. Every effort should be made to purchase competitively if the situation allows (§13-1-127 NMSA, 1978). A written determination of the basis for the emergency procurement and the selection of the particular contractor shall be included in the procurement file (§13-1-128 NMSA 1978).

Notification to Council will be made no later than the next regularly scheduled council meeting.

When the Emergency/Urgent Purchase Memorandum is completed and signed by all required persons, a purchase order will be issued. This memorandum must be attached as documentation for the expenditure.

CHAPTER VI: UNAUTHORIZED PURCHASES AND OVER EXPENDITURES

UNAUTHORIZED PURCHASES

Any purchase which is not allowable and appropriately approved within the Village budget or by other Village Council action, or which does not substantially comply with the provisions of the State Procurement Code, State Statutes, or the provisions of this policy shall be considered an unauthorized purchase, and thereby not subject to payment by the Village.

All authorized purchases shall be budgeted or approved within an appropriate fund or agency account, or within an appropriate line item as approved by the Village of Ruidoso Village Council.

The Village of Ruidoso hereby establishes that it will assume no responsibility for payment of unauthorized purchases. Furthermore, any individual initiating or otherwise executing any unauthorized purchase may be held personally responsible for payment.

All questionable purchases shall be submitted to the Purchasing Agent for review. If the Purchasing Agent finds the purchase to be unauthorized or questionable under the provisions of this policy, the Purchasing Agent will inform the Department Director/Manager. The Department Director/Manager may request further review by the Village Manager and/or Director of General Services. The determination of the Village Manager and/or Director of General Services will be final and no other review may be requested. Questioned purchases will not be processed until a final determination concerning the allowability is made.

OVER EXPENDITURES

The Department Director/Manager is directly responsible to ensure that all purchases are made in accordance with the current budget. Further, the Department Director/manger is responsible for ensuring that sufficient funds remain in the budget before requisitions are submitted. No purchases may be approved or processed in cases where the budget is overextended.

If budget changes are needed, the Department Director/Manager should submit a budget change to the Fiscal Office. See the Fiscal Management Manual for detailed procedures.

The Finance Director shall provide sufficient information (data and reports) upon request, to keep Department Directors/Mangers properly updated on budget balances.

CHAPTER VII: COMPETITIVE PURCHASES

All employees making purchases shall attempt to insure that all purchases are made at the best obtainable prices. All purchases shall be made in accordance with the following provisions:

PURCHASING THRESHOLDS

- \$0.01 to \$5,000.00: Purchases require a purchase order number but do not require price quotes. Purchase order numbers will be given over the phone. All paperwork will need to be turned in to Purchasing within three (3) days of purchase. Purchases shall be made at the best obtainable price. (§13-1-125 NMSA 1978)
- \$5,000.01 to \$10,000.00: Purchases require at least 3 telephone or written quotes (including fax or internet) from different vendors. The quotes must be attached to the requisition.
- \$10,000.01 and \$20,000.00: Purchases require at least 3 written quotes (including fax or internet) from different vendors. The quotes must be attached to the requisition.
- \$20,000.01 and above: All purchases exceeding \$20,000.00 (except professional services and state or federal purchasing contracts and cooperative bids) require formal bid procedures as specified by State regulations (§13-1-102 NMSA 1978) and must have an approved budgeted line item. The using department shall provide the specifications to the Purchasing Agent who shall approve a purchase method and execute the required process.
- All professional services, having a value not exceeding fifty thousand dollars (\$50,000.00), will be procured at the best negotiated price through an informal process. Any professional services over \$50,000.00 will be procured by Formal Sealed Competitive Proposals and will be approved by the Village Council as a regular agenda item. See Section E below for more information on procurement of professional services.
- Purchase card limits are set based on the needs of the individual authorized to use the purchasing card and will vary. Requisitions and purchase order numbers are not required when using the purchasing card.
- All purchases over \$5,000.00 must be signed and approved by the Village Manager or designee.

COUNCIL APPROVAL OF PROCUREMENT ACTIONS

The following items must be approved by the Village Council. These procurement actions will be presented as a regular Council agenda item:

- Proposals over \$50,000.00.
- Bids over \$50,000.00.
- Professional services over \$50,000.00.

The following items must be approved by the Village Council. If the purchase was originally planned and is in the department budget for the appropriate fiscal year, the purchase has already been approved by the Council. If not, the procurement will be presented as a consent item on the Council agenda.

- Proposals between \$25,000.01 and \$50,000.00.
- Bids between \$25,000.01 and \$50,000.00.
- Professional services under \$50,000.00.

Village Council approval is not required on purchases under \$25,000.00.

BID SPECIFICATIONS

Specifications should be written by the user department to address the needs of the Village for a specific item to perform a specific function. Specifications written for purchases shall not be “closed or exclusive”, or otherwise written in such a way as to intentionally favor or exclude a vendor. Reference to specific types or quality shall be followed by the wording “or equal” and all specifications regardless of wording shall be considered as “or equal.” It shall be the user department’s responsibility to provide and ensure that all specialized technical aspects of specifications are correct and appropriate, and to point out any questionable, unusual, or inappropriate specifications to the Purchasing Agent prior to processing. The bidding process may be waived after review of the Purchasing Agent in cases that a vendor has a State or Federal Purchasing Contract. In all cases, a purchase order must be obtained prior to the use of a contract.

As per §13-1-164 NMSA 1978, all specifications shall be drafted to ensure maximum practicable competition and fulfill the requirements of state agencies and local public bodies.

COMPETITIVE BID METHODS

A. WRITTEN OR TELEPHONE QUOTES

Written or telephone quotes may be in a variety of formats, including printouts from internet sites, e-mails from vendors, hand written quotes, or documented by the Village employee, but must contain the following information:

- Vendor
- Item to be purchased
- Quantity
- Price

In the event there are not three known vendors which have materials/services available, less than three quotes are permissible. See Section C below on Sole Source Purchase.

When the vendor has a State or Federal Purchasing Contract, or if a vendor has an agreement or contract with the village to provide materials or services, multiple quotes are not required.

B. STATE OR FEDERAL PURCHASING CONTRACTS AND COOPERATIVE BIDS

State or Federal Purchasing Contracts and Cooperative Bid Exceptions: Direct purchases may be made in cases that a vendor has a State or Federal Purchasing Contract recorded in the Purchasing Office. Also, the Village may purchase items cooperatively through another public body's bid process consistent with State Codes.

In all cases, a purchase order number must be obtained prior to the use of a contract. A copy of the current purchasing agreement must be attached with the requisition (§13-1-129 NMSA 1978).

The State list can be found at www.generalservices.state.nm.us. The Federal list can be found at www.gsa.gov. If any assistance is needed in locating these sites, contact the Purchasing Office.

C. SOLE SOURCE PURCHASE

A sole source purchase is permissible when there is only one vendor in the overall geographical region that can provide the required service, construction, or item of tangible property. (§13-1-126 NMSA 1978,) A Sole Source Certification Form (See attachment 5) must be completed for any procurement determined to be sole source.

The Village Manager or Deputy Village Manager shall certify that a good faith effort has been made to contact other vendors in the general overall geographical region that the sole source has been located, and that the item or service is the only source found to be available in the region. The Purchasing Agent shall certify that every effort has been made to determine if there is a Federal Purchasing or State contract for the item or services requested and that negotiations, as appropriate, have been conducted with the sole source vendor to determine that it is the best obtainable price. The Purchasing Office shall maintain for a minimum of three years records of all sole source procurement. The record of such procurement shall be public record and shall contain:

- The Vendor's name and address;
- The amount and item of the contract;
- A listing of the services, construction or items of tangible property procured under the contract; and
- The justification for the procurement method.

D. PROPOSALS –REQUEST FOR PROPOSAL (RFP), COMPETITIVE SEALED PROPOSALS

A request for proposal (RFP) is used to solicit the procurement of professional services or tangible property over \$50,000.00. In addition, a RFP may be used when it is determined that the use of bids is either not practical or advantageous. Proposals are mostly criteria based, and not on a cost only basis.

User departments are required to develop the detailed scope of work, the evaluation criteria, and the scoring of each criteria. This information should be submitted to the purchasing office and used in the development of the RFP to be released.

“Request for Proposal” means all documents, including those attached or incorporated by reference, used for soliciting proposals. (§13-1-81 NMSA 1978).

The RFP shall include the following:

- ✓ The specifications for the service(s) to be procured;
- ✓ All contractual terms and conditions applicable to the procurement;
- ✓ Instructions and information to offerers, including the date, time and place where proposals are to be received and reviewed;
- ✓ All the evaluation criteria including the relative weights to be given to each criteria.

Public notices must be published at least ten days prior to the deadline for submission (§13-1-104 NMSA 1978, 1997 Repl.). All legal notices must be published in at least three (3) regional markets in addition to the local area. Proposals will not be opened prior to the scheduled deadline for submission. Proposals are not publicly opened.

After the deadline for submission, proposals will be evaluated based on the evaluation criteria set

forth in the proposal document (§13-1-114 NMSA 1978), by an evaluation committee consisting of no less than three members and no more than seven members. This committee shall include the

Department Director/Manager originating the proposal or designee and a Village Councilor. The Councilors would be chosen on a rotating basis in alphabetical order.

Negotiations may be conducted with responsible offerors who submits proposals found to be reasonably likely to be selected for award (§13-1-115 NMSA, 1978). The contents of any proposal shall not be disclosed so as to be available to competing offeror during the negotiation process (§13-1-116 NMSA, 1978)

The committee’s recommendation will be forwarded to the Village Manager and/or Village Council, as appropriate, for award approval. If bids received and awarded are less than \$25,000.00, no Council approval is needed. If bids awarded are between \$25,000.01 and \$50,000.00, the award will be approved by the Council as a consent item. Awards over \$50,000.00 will need approval by Council.

After award, all proposals are subject to the “Inspection of Public Records Act” (§14-2-1 through 14-2-12 NMSA 1997). Individual rating sheets from the evaluation committee will be destroyed as these are not public information.

Proposals that are rejected and never awarded are not subject to the “Inspection of Public Records Act.”

In addition to the requirements above, proposals for the services of architects, engineers, landscape architects and surveyors must also comply with §13-1-120 through 13-1-124 NMSA 1978. (§13-1-115 NMSA 1978)

There shall be a check list attached to each proposal file to insure compliance with all required “terms and conditions” such as completing the “Campaign Contribution Disclosure Form”, submittal of a W-9 form or Application for a Village of Ruidoso business license.

E. BIDS (INVITATION FOR FORMAL BID, REQUEST FOR BID, COMPETITIVE SEALED BIDS)

A request for formal bid is used to purchase tangible property over \$20,000.00. Bids, unlike proposals, are primarily cost based.

“Invitation for Bids/Request for Bids” means all documents, including those attached or incorporated by reference, utilized for soliciting sealed bids. (§13-1-64 NMSA 1978). An invitation for bids shall include the specifications for the services, construction, or items of tangible personal property to be purchased, all contractual terms and conditions applicable to the procurement, the location where the bids are to be received and the date, time, and place of the bid opening. (§13-1-103 NMSA 1978, 1997 Repl.)

The user department shall develop the technical specifications, which shall clearly describe the items the user department intends to purchase.

The request for bid shall include the following:

- ✓ The specifications for services, construction, or items of tangible personal property requested;
- ✓ The contractual terms and conditions applicable to the procurement;
- ✓ The terms of the contract and conditions of renewal or extension;
- ✓ Instructions and information to bidders, including the date, time, and place, where bids are to be received.

When the Village of Ruidoso requires sealed bids, the entire bid document must be reviewed by the Department Director/Manager originating the bid or designee. Additional staff may be required to review the bid document.

- If the procurement is to be procured without electronic submission, the invitation for bids shall include the location where the bids are received and the date, time and place of the bid opening. If the procurement is to be a sealed bid with part or all of the bid to be submitted electronically, the invitation for bids shall comply with the requirements of Section 13-1-95.1 NMSA 1978, 1997 Repl.
- Public Notice must be published at least ten calendar days prior to the scheduled bid opening. (§13-1-104 NMSA 1978, 1997 Repl.) All legal notices must be published in at least three (3) regional markets in addition to the local area. Bids will not be opened prior to the scheduled bid opening. All bids shall be opened publicly in the presence of one or more witnesses. (§13-1-107 NMSA 1978).
- Award shall be made to the lowest responsible bidder, as approved by the Village Council. However, the Village reserves the right to waive technicalities and accept the bid deemed to be in the best interest of the Village of Ruidoso. If bids received and awarded are less than \$25,000.00, no Council approval is needed. If bids awarded

are between \$25,000.01 and \$50,000.00, the award will be approved by the Council as a consent item. Awards over \$50,000.00 will need approval by Council.

- Price negotiations can be conducted if the lowest bid was up to 10% higher than budgeted project funds in order to avoid rejection of all bids only if the lowest responsible bid has otherwise qualified, and if there is no change in the original terms and conditions. (§13-1-105 NMSA 1978, 1997 Repl.)
- All bids are subject to the “Inspection of Public Records Act.” (§14-2-1 through 14-2-12 NMSA 1978)
- There shall be a check list attached to each bid file to insure compliance with all required “terms and conditions” such as completing the “Campaign Contribution Disclosure Form”, submittal of a W-9 form or Application for a Village of Ruidoso business license.

PROCUREMENT OF PROFESSIONAL SERVICES

Professional Services means the services of architects, archeologists, engineers, surveyors, landscape architects, medical arts practitioners, scientists, management and systems analysts, certified public accountants, lawyers, psychologists, planners, researchers, construction managers, and other persons or businesses providing similar professional services, which may be designated as such by a determination issued by the state purchasing agent or a central purchasing office (§13-1-76 NMSA, 1978). Characteristics of “Professional Services” include:

- Services are professional or technical or specialized needs. Work is predominately intellectual and varied.
- Work is independent from the day-to-day control of the Village; consultant maintains control of work methods.
- Work requires regular exercise in judgment, direction, and decision-making; involves providing advice, opinion, or recommendations; may have policy-implications for Village; often addresses management-level issues.
- May require advanced or specialized knowledge; or expertise gained over an extensive period of time in a specialized field of experience.
- Work may be original and creative in character in a recognized field of endeavor, the result of which may depend primarily on the individual’s invention, imagination, or talent.

All professional services, having a value not exceeding fifty thousand dollars (\$50,000.00), will be procured at the best negotiated price through an informal process. Any professional services over \$50,000 will be procured by Formal Sealed Competitive Proposals. Awards over \$50,000.00 will be approved by the Council as a regular agenda item.

The award shall be made to the responsible offeror(s) whose proposal is most advantageous to the local public body or legislative agency, taking into consideration the evaluation factors set forth in the request for proposals. (§13-1-117.1 NMSA 1978)

PROCUREMENT OF USED ITEMS

As per §13-1-155 NMSA 1978, the procurement of used items; appraisal required, county road equipment except for auctions, the following will apply:

- A central purchasing office, when procuring used items of tangible personal property the estimated cost of which exceeds \$5,000, shall request bids as though the items were new, adding specifications that permit used items under conditions to be outlined in the bid specifications, including but not limited to requiring a written warranty for at least 90 days after date of delivery and an independent "certificate of working order" by a qualified mechanic or appraiser.

- Notwithstanding the provisions of Subsection A of this section, the purchasing office for a county may purchase, at public or private auctions conducted by established, recognized commercial auction companies, used heavy equipment, having an estimated cost that exceeds \$5,000, for use in construction and maintenance of county streets, roads and highways, subject to the following provisions:
 - (1) the commercial auction company shall have been in business for at least three years preceding the date of purchase and shall conduct at least five auctions annually;
 - (2) the value of each piece of equipment shall be appraised prior to the auction by a qualified disinterested appraiser retained and paid by the county, who shall make a written appraisal report stating the basis for the appraisal, including the age, condition and comparable sales, and stating that the appraiser has exercised his independent judgment without prior understanding or agreement with any person as to a target value or range of value;
 - (3) an independent "certificate of working condition" shall be obtained prior to the auction from a qualified mechanic who shall have made a detailed inspection of each major working or major functional part and certified the working condition of each; and
 - (4) the price paid, including all auction fees and buyer's surcharges, shall not exceed the appraised value.

REJECTION OR CANCELLATION OF BID OR PROPOSAL

An invitation for bids, a request for proposal, or any other solicitation may be canceled or any or all bids or proposals may be rejected in whole or in part when it is in the best interest of the Village. A determination containing the reasons for cancellation shall be made part of the procurement file. If no bids are received or if all bids received are rejected and if the invitation for bid was for any tangible personal property, construction or service, then new invitations for bids shall be requested. If upon rebidding the tangible personal property, construction or services, the bids received are unacceptable, or if no bids are secured, the purchasing office may purchase the tangible personal property, construction, or services in the open market at the best obtainable price (§13-1-131, NMSA 1978).

The Village of Ruidoso reserves the right to reject any bid from a bidder who previously failed to perform properly or complete on time contracts of a similar nature or to reject the bid of a bidder who is not in a position to perform such a contract satisfactorily. All such rejections

are at the discretion of the Village and must be approved by the Village Manager or the Director of General Services.

PREFERENCES

Preferences for purchases must be made in accordance with statutes on the application of preferences. (§13-1-21 NMSA 1978)

When bids are received by non-New Mexico businesses and a New Mexico resident business, a preference may be given to the New Mexico resident business. If the New Mexico resident business is not the low bid, the bid may still be awarded to the New Mexico resident business if the bid is within 5% of the lowest bid.

This section shall not apply when the expenditure of federal funds designated for a specific purchase is involved or for any bid price greater than \$5,000,000.00.

Definitions:

- "New Mexico resident business" means a business that is authorized to do and is doing business under the laws of this state and:
 - that maintains its principal place of business in the state
 - has staffed an office and has paid applicable state taxes for two years prior to the awarding of the bid and has five or more employees who are residents of the state; or
 - is an affiliate of a business that meets the requirements of Subparagraph (a) or (b) of this paragraph. As used in this section, "affiliate" means an entity that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with the qualifying business through ownership of voting securities representing a majority of the total voting power of the entity;

PROTESTS

All protests for procurement must be in accordance with the State Code (§13-1-172 through 13-1-176 NMSA 1978, 1997 Repl.) and New Mexico State Procurement Regulations §1.4.1.80 through 1.4.1.93.

Any bidder or offeror who is aggrieved in connection with a solicitation or award of a contract may protest. The protest shall be submitted in writing within 15 calendar days after knowledge of the facts or occurrences giving rise to the protest.

In the event of a timely protest under §13-1-172 NMSA 1978, 1997 Repl. of the Procurement Code, the purchasing office shall not proceed further with the procurement unless a determination has been made that the award of the contract is necessary to protect substantial interests of the Village.

However, procurement shall not be halted after a contract has been awarded merely because a protest has been filed. After a contract has been awarded, the Village may halt procurement in exceptional circumstances or for good cause shown.

The Village shall have the authority to take any action reasonably necessary to resolve a protest of an aggrieved bidder or offeror. The Village shall promptly (within ten calendar days) issue a determination relating to the protest. The determination shall state the reasons for the action taken.

All protests for procurement for the Village of Ruidoso will be accepted and reviewed by the Village Manager and the Director of General Services.

CHAPTER VIII: PAYMENTS

INVOICES

An invoice is an itemized statement submitted by the vendor to the Village for payment of material or services delivered to the Village. It is the responsibility of the vendor to ensure that a purchase order is provided prior to issuing materials or services and the vendor shall include the purchase order number on the invoice submitted to the Village for payment. A copy of the policy shall be sent to the vendor with a notice that if improper invoicing procedures continue to occur, the Purchasing Agent may exclude the vendor from the Village Vendor List. Also, the Village may refuse payment in any case that there is an unauthorized purchase.

PROCESSING FOR PAYMENT

It shall be the responsibility of the Finance Department to insure that all invoices received are appropriately authorized prior for payment and that the purchase order numbers are on the invoices when required. The Finance Director shall be responsible for ensuring that appropriate procedures are established and used for payment after invoices are received to include that payment is made timely, and to ensure that discounts are received and late charges avoided. ***All invoices must be paid within thirty (30) days of the date of invoice to avoid late charges. (§13-1-158 NMSA 1978, 1997 Repl.)***

VERIFICATION OF INVOICES

All invoices shall be signed by authorized personnel prior to payment to ensure materials and services have been received and to verify it is authorized for payment.

CHAPTER IX: SPECIAL END OF THE YEAR PROCEDURES

Special purchasing procedures shall be followed to ensure effective fiscal closeouts can be accomplished. Department Directors/Managers are responsible for anticipating the department needs and procuring all goods and services prior to the end of the fiscal year. Provisions are as follows:

30 days Prior to Year Ending

30 days prior to the end of the fiscal year, purchase order numbers will be issued only for purchases in which invoices will be received within an estimated thirty (30) days, except as otherwise specifically approved by the Department Directors/Managers.

15 Days Prior to Year Ending

There shall be no purchases of any kind made, or purchase order numbers issued within 15 days prior to the end of the fiscal year. Any exception must be approved by the Village Manager or Deputy Village Manager(s).

ATTACHMENT 1

Department Authorization Signature Form

The Purchasing Department is required to keep on file signatures of all Department Directors/Managers and alternates authorized to sign on purchases.

Please sign on the lines provided below and also print your name under your signature. If your signature is illegible on any invoice, it will be considered an unauthorized purchase.

DEPARTMENT: _____

1. _____
ALTERNATE

PRINT NAME

DEPARTMENT DIRECTOR/MGR SIGNATURE

2. _____
ALTERNATE

PRINT NAME

DEPARTMENT DIRECTOR/MGR (PRINT NAME)

3. _____
ALTERNATE

PRINT NAME

Alternate responsible to sign
in Department Director/Manager absence

PRINT NAME

4. _____
ALTERNATE

PRINT NAME

SIGNATURE

5. _____
ALTERNATE

PRINT NAME

Special notes:

(Use this area for special conditions, such as authorization limited to certain \$ amounts, etc)

ATTACHMENT 2

VILLAGE OF RUIDOSO

PURCHASE REQUISITION

Date	Date received by Purchasing Dept
Fund# Dept# Line Item	Purchase Order No.#
Budget Balance (approximate)	

Please deliver the following to: _____
(Department Address or Purchasing Warehouse at 311 Center St.)

Vendor Name	Contact Name & Phone Number
(1) Vendor _____	Name _____
(2) Vendor _____	Name _____
(3) Vendor _____	Name _____

Variation in Quantity: No variation in the quantity of any item called for by this order will be accepted unless such variation has been caused by conditions of loading, shipping, packing or allowances in manufacturing process, and then only to the extent, if any, specified elsewhere in this order.

PURCHASE REQUISITIONS ARE SUBJECT TO AUDIT

Per Item price (quote by vendor)

Item Description	Qty.	Vendor (1)	Vendor (2)	Vendor (3)	Low Quote (Extended Price)
Subtotal					
Total Quote By Vendor					

Selected Vendor No. _____	Requisitioned by: _____
Vendor Name _____	Dept. Director/Authorized Signature: _____
Address _____	_____
City _____ State _____ Zip _____	_____
Purpose: _____	

WHITE COPY – FINANCE * YELLOW COPY – DEPARTMENT * PINK COPY – PURCHASING/P.O.

Attachment 3

PURCHASING CARD AGREEMENT

AGREEMENT TO ACCEPT Village of Ruidoso PURCHASING CARD

The Village of Ruidoso is pleased to offer you the Bank of America Purchasing Card. It represents the Village's trust in you and your empowerment as a responsible agent to safeguard the Village's assets.

I, _____ hereby acknowledge receipt of the Village of Ruidoso Purchasing Card Program Policies and Procedures and confirm that I have read and understand its terms. As a cardholder, I agree to comply with said document and understand that the Village of Ruidoso is liable to Bank of America for all Organization approved purchases.

I agree to use the Purchasing Card for Organization approved purchases and agree not to charge personal purchases. I understand that the Village will audit the use of the card and report any discrepancies.

I further understand that improper use of the card will result in a security investigation which may lead to disciplinary action, up to and including prosecution and termination of employment. Should I fail to use the card properly, I authorize the Village of Ruidoso to deduct such amount from my salary equal to the total amount of unaccountable expenditures. I also agree to allow the Village to collect any amounts owed by me even if I am no longer employed by the Village of Ruidoso.

In the event that the Purchasing Card is not used as herein stated, I hereby authorize the Village to release my last known address and any information relating to my use of the card to Bank of America.

I understand that the Village of Ruidoso may terminate my right to use the card at any time for any reason. I also agree to return the card to the Village immediately upon request or upon termination of employment.

CARDHOLDER

Signature _____ Date _____

Signed before me this day _____, this month _____ of this year 20____.

Notary Public My commission expires _____.

PROGRAM ADMINISTRATOR

I acknowledge that the above cardholder has been issued a Village of Ruidoso Purchasing Card account number: _____

Signature _____ Date _____

Attachment 4
Village of Ruidoso
EMERGENCY/URGENT PURCHASE MEMORANDUM

This form **MUST** be completed for **ALL** Emergency Purchases made by any department. The Purchase **MUST BE** either an **EMERGENCY OR URGENT PURCHASE** as defined in Chapter V of the Purchasing Procurement Procedure Manual and as defined herein:

“An emergency purchase is permissible when there is an existing condition which creates a threat to public health, welfare or safety such as may arise by reason of floods, epidemics, riots, equipment failures or similar events. The existence of the emergency condition creates an immediate and serious need for procurement of items or services or construction methods and the lack of which would seriously threaten the functioning of government; the preservation or protection of property; or the health or safety of any person.”

This memorandum must be completed in its entirety, and then delivered to a Deputy Village Manager. The Deputy Village Manager will obtain Finance approval, and notify Purchasing. Purchasing will obtain the Village Manager’s approval. **UNTIL THESE STEPS ARE FOLLOWED, any purchase made is UNAUTHORIZED.**

Item to be purchased		
Approximate Cost:		
Line Item Code:		
REASON FOR EMERGENCY PURCHASE:		
Department Director Signature:		Date:
AUTHORIZED SIGNATURES		
	Village Manager	Date:
	Deputy Manager	Date:
	Finance Officer	Date:
	Purchasing Agent	Date:

**Attachment 5
VILLAGE OF RUIDOSO
SOLE SOURCE CERTIFICATION**

A sole source purchase is permissible when there is only one vendor in the overall geographical region that can provide an item or service. (§13-1-126 NMSA 1978, 1997 Repl.) **The Department Director, Purchasing Agent or representative shall certify that a good faith effort has been made to contact other vendors in the general overall geographical region that the sole source has been located, and that the item or service is the only source found to be available in the region.** The Village Manager or Deputy Village Manager must give final approval for sole source purchases. The Purchasing Agent shall certify that every effort has been made to determine if there is a Federal Purchasing or State contract for the item or services requested and that negotiations, as appropriate, have been conducted with the sole source vendor to determine that it is the best obtainable price.

If there is a GSA or State Contract for the item or service, a Sole Source Certification is not required. If another vendor has the item or service needed and has been contacted, a Sole Source Certification is not permissible.

For clarification of these Sole Source issues please refer to Procurement Procedures or contact your Purchasing Department.

Full Description of item or service:

Additional Justification Information:

Name/Contact Person of Sole Source Vendor: _____

Address/Telephone# of Sole Source Vendor _____

Price of Sole Source Items or Services: _____

CERTIFICATION BY DEPARTMENT:

I hereby certify that a good faith effort has been made to contact other vendors in the general overall geographical region in which the sole source has been located, and that there is only one source for the required service or item of tangible personal property.

Department Head: _____ Date: _____

CERTIFICATION OF PURCHASING AGENT:

I hereby certify that there is not a GSA or State Contract for the item or service requested and that negotiations, as appropriate, have been conducted with the sole source vendor to determine this is the best price obtainable.

Purchasing Agent: _____ Date: _____

Management Approval

Village Manager/Deputy Manager
and/or Director of General Services: _____ Date: _____