



Association of California Airports

Purchasing Policy

January 2007

Policy

This policy establishes the limits on the authority of the Association of California Airports board and its members to execute documents where there is a commitment to purchase goods or services.

Annual Budget

Board members are encouraged to provide budget requests to be included in the annual budget identifying spending for the year. The Board approves the budget at the annual second quarter meeting. Changes in direction or program require a modification to the budget and Board approval.

Purchases

Any purchases approved under the budgeted items of that document require no additional approval from the Board, except as noted. Committee chairs oversee expenditures under the jurisdiction of their committee activities.

For purchases not clearly identified in the budget, ACA board approval or approval by the President and another officer, is required for expenditures \geq \$1,000.

Bids

Purchases \geq \$1,001 & \leq \$5,000 require three bids. Verbal or written bids or estimates are allowed. Information is presented to the board with a recommendation for approval.

Requests for Proposal

A formal written request for proposal is required for any purchase \geq \$5,000. Purchases require written quotes from at least three qualified vendors or professionals. Written quotations shall indicate what items or services will be provided, the name of the company, the name of the person and his/her authority to quote prices and the applicable prices. In the event three qualified providers cannot be located, documentation to that effect shall be provided.

Contracts for purchases will be to the most competitive responsible bidder or vendor meeting specifications. Awards for professional and other services will be based on pricing, past experience and quality of service. The designated board member or committee chair will prepare a detailed report, along with the recommendation to the

Board for approval. The Board will make the ultimate decision for the contract/purchase award. The exception to this rule is the annual conference.

Annual Conference

The conference host and committee, working within the conference budget and with the conference committee chair, have the latitude to arrange for hotel, meals, speakers etc. required for the conference.

The conference chair takes any unusual requests to the board for review and/or approval depending on how different plans are from previous conferences.

The board, on recommendation of the committee, approves conference registration, room rates and sponsorship levels.

Disbursements

Invoices are presented to the Treasurer for payment. Any invoice over \$1,000 requires review and approval by the President or designated committee chair before being paid. The Treasurer maintains documentation of approval with the invoice.

The Treasurer pays all invoices as they are received and has authority to sign all checks. A fax of the invoice is acceptable.

Checking Account – Wells Fargo

Funds are kept in this account to pay upcoming bills. All checks are written by the Treasurer, with the appropriate approvals and hard copy back-up documentation filed by the month of the transaction.

All statements are received online for monthly reconciliation in Quick Books.

W- 9 Form

The Treasurer has a copy of the completed W-9 Form to provide via fax to customers and vendors who need ACA corporate tax ID information for their records.

Check Signers – Wells Fargo

There may be established check signers in addition to the Treasurer who may sign checks when needed. Check signers are changed by providing a written request to the local Wells Fargo branch documenting when formal action was taken by the ACA board to approve new signers and delete old signers. They will arrange for signatures at the branch locations of the new signers. There must always be one existing check signer left on the account in order to approve changes.

Bank Business Check Card – Wells Fargo

The check card is used exclusively by the Treasurer to make deposits and other required transactions. Copies of transactions are filed with the hard copy of the QB documentation of the deposit.

Reporting

The Treasurer provides Profit and Loss vs. Budget and Balance Sheet reports at each quarterly board meeting. The Treasurer arranges for annual tax preparation and financial reviews.

Policy Changes

All policy changes are proposed to the ACA board for formal review and board approval and incorporated into the policy.