STAFF REPORT

DATE: November 17, 2026

FROM: Damian Parsons, Deputy Executive Director
BY: Ivan Ramirez, Finance Manager

TO: CONFIRE Board of Directors

SUBJECT: Revisions to Board Policies 4.003 and 4.004 – Contracting Authority and Procurement Procedures

Recommendation

Approve the proposed revisions to Board Policy 4.003, Contracts, Loans, Checks and Deposits, and Board Policy 4.004, Purchasing and Procurement Procedures.

Background Information

Board Policies 4.003 and 4.004 establish CONFIRE's contracting authority and procurement requirements. BP 4.004 was last updated in April 2021, and the existing policies contain inconsistent purchasing and contracting authority limits. Additionally, certain provisions have become outdated or do not adequately address common procurement circumstances.

Staff conducted a comprehensive review of both policies to modernize procurement thresholds, clarify approval authority, eliminate inconsistencies, and establish more practical procurement procedures while maintaining appropriate financial controls and Board oversight.

The proposed revisions include the following significant changes:

- Updated Procurement Thresholds: Increased the Open Market threshold from $25,000 to $35,000, the informal solicitation threshold from $50,000 to $75,000, and the formal solicitation threshold for applicable services from $100,000 to $150,000. These changes modernize procurement limits last established in 2021 while maintaining competitive solicitation requirements for higher-value purchases.

- Aligned Contracting Authority: Increased the Executive Director's general contracting authority from $50,000 to $150,000 annually and established $75,000 in annual authority for the Deputy Executive Director of Business Operations and Finance Manager. Previously, BP 4.003 limited the Executive Director's general signature authority to $50,000, while BP 4.004 allowed approval of certain

purchases up to $100,000, creating inconsistent authority limits between the policies. The revisions eliminate this inconsistency and establish clear approval levels. Contracts exceeding delegated authority remain subject to Administrative Committee or Board approval, as applicable.

- Annual Contract Valuation: Established annual contract value, rather than the aggregate value over the full contract term, as the basis for determining procurement and approval thresholds. This change allows routine multiyear agreements to be approved based on their annual cost rather than requiring higher level approval simply because the cost adds up over multiple years, while maintaining appropriate oversight.

- Multiyear Contract Limitations: Generally limited financial commitments under delegated authority to five years, while allowing greater flexibility for agreements that may be terminated for convenience without material penalty, including month-to-month and automatically renewing agreements.

- Noncompetitive Procurement: Established procedures for sole-source procurements, proprietary software maintenance and support, limited competition, and unsuccessful competitive solicitations. These provisions require documented justification and do not waive applicable approval requirements.

- Clarified Administrative Requirements: Separated procurement methods from contracting authority and moved purchase order requirements and related administrative controls to Finance procedures.

The revisions also update public works procurement thresholds to reflect the California Uniform Public Construction Cost Accounting Act and clarify responsibilities between requesting departments and Finance/Procurement.

Together, these changes are intended to provide a clearer and more consistent policy framework, reduce unnecessary administrative requirements, and support the implementation of standardized procurement workflows and future procurement automation.

Financial Impact

There is no direct financial impact associated with approval of the proposed policy revisions. The changes modify procurement procedures and delegated approval authority but do not authorize additional expenditures. All purchases and contracts remain subject to available budget appropriations and applicable approval requirements.

Attachments

▪ Proposed Board Policy 4.003 – Contracts, Loans, Checks and Deposits

▪ Proposed Board Policy 4.004 – Purchasing and Procurement Policy