CONSOLIDATED FIRE AGENCIES
POLICIES OF THE BOARD OF DIRECTORS

POLICY:	BP 4.003
TITLE:	Contracts, Loans, Checks and Deposits
ADOPTED:	[4.29.2021]
REVISED:	[11.17.2026]

1. PURPOSE

This policy establishes authority for entering into and executing contracts and other instruments on behalf of CONFIRE, contracting for loans or other indebtedness, and authorizing checks, drafts, deposits, and other orders for the payment or movement of CONFIRE funds. This policy is intended to operate together with BP 4.004, Purchasing and Procurement Procedures.

2. GENERAL AUTHORITY

The Board of Directors may authorize any officer, employee, or agent to enter into contracts or execute instruments in the name of and on behalf of CONFIRE. Such authority may be general, limited by dollar amount, limited to a particular type of transaction, or confined to specific instances.

- No employee or agent may execute a contract or otherwise bind CONFIRE unless authority has been expressly delegated by the Board or by an officer who has been authorized by the Board to further delegate that authority.
- Contracting and signature authority under this policy is separate from the procurement method required by BP 4.004. A contract may be signed only after the applicable procurement and approval requirements have been satisfied.
- Dollar limits in this policy apply to the annual contract amount unless a different basis is required by law or expressly stated in this policy.

3. CONTRACT APPROVAL AND SIGNATURE AUTHORITY

The Board delegates the following authority for contracts, purchase orders, amendments, renewals, and other instruments that financially obligate CONFIRE, subject to available appropriation and compliance with BP 4.004:

Authorized Position	Authority	Conditions
Executive Director	Up to $150,000 annually	May approve and execute contracts, purchase orders, and related instruments within delegated authority. May delegate authority below this limit in writing.
Deputy Executive Director of Business Operations and Finance Manager	Up to $75,000 annually	May approve and execute contracts, purchase orders, and related instruments within delegated authority.
Board of Directors / Administrative Committee	$150,001 and Over annually	Approval required when the annual contract or purchase order amount exceeds delegated authority or when otherwise required by law or Board policy.

4. MULTIYEAR CONTRACTS, RENEWALS, AND AMENDMENTS

For purposes of delegated approval and signature authority, a multiyear contract is measured by its anticipated annual amount rather than the aggregate value over the full term, consistent with BP 4.004.

- Contracts within delegated authority may commit the Agency to a term of up to five years, including renewal and extension options during which the Agency does not have a right of termination for convenience without material penalty.

- Any contract that commits the Agency to a term exceeding five years requires Board or Administrative committee approval regardless of annual amount, unless the Agency has a right of termination for convenience without material penalty.
- Agreements that continue on a month-to-month, automatic renewal, or other indefinite basis are not subject to the five-year limitation when the Agency retains the right to terminate the agreement for convenience without material penalty. Such agreements remain subject to the applicable annual approval and signature authority limits.
- A renewal, extension, amendment, or change order may be approved under delegated authority if the resulting annual amount and contractual commitment remain within the applicable delegated limits.
- Transactions may not be split, phased, or structured to avoid an approval threshold or Board/Administrative Committee approval requirement.

5. PUBLIC WORKS CONTRACTS

Public works contracting authority is subject to the California Uniform Public Construction Cost Accounting Act (CUPCCAA), Public Contract Code section 22000 et seq., and BP 4.004.

- The Executive Director and Deputy Executive Director of Business Operations may approve and execute public works contracts up to $75,000, consistent with the current CUPCCAA threshold for work that may be performed by force account, negotiated contract, or purchase order.
- Public works procurements above $75,000 shall follow the applicable informal or formal bidding procedures established by CUPCCAA and BP 4.004, together with the approval authority required by this policy.
- If statutory CUPCCAA thresholds change, the statutory thresholds control unless the Board establishes a lower internal authority limit.

6. PURCHASE ORDERS AND ADMINISTRATIVE INSTRUMENTS

Purchase orders and similar administrative purchasing instruments may be executed by an authorized employee when the underlying procurement and contract, if any, have received all approvals required by BP 4.004 and this policy.

- Issuance of a purchase order does not independently authorize a procurement or contract that otherwise requires higher-level approval.
- Finance may establish procedures governing purchase order issuance, vendor setup, encumbrances, invoice approval, and other administrative controls.

7. LOANS AND INDEBTEDNESS

No loan shall be contracted on behalf of CONFIRE, and no note or other evidence of indebtedness shall be issued in CONFIRE's name, unless authorized by resolution of the Board of Directors. Such authority may be general or confined to specific instances.

8. CHECKS, DRAFTS, AND OTHER PAYMENTS

Checks, drafts, electronic payments, or other orders for the payment of CONFIRE funds shall be authorized by the officer, employee, or agent designated by the Board of Directors or by procedures adopted pursuant to Board authority.

- Authorized agents include the Executive Director and Deputy Executive Director of Business Operations.
- Finance may establish administrative procedures for payment approval, segregation of duties, electronic payment controls, and other safeguards consistent with this policy.

9. DEPOSITS AND MOVEMENT OF FUNDS

Deposits, transfers, and other movement of CONFIRE funds shall be made only through accounts and financial institutions authorized by the Board and in accordance with applicable law, Board policy, and Finance procedures. Authority to initiate or approve such transactions shall be limited to officers, employees, or agents designated by the Board or pursuant to Board-authorized procedures.

10. CONFLICT WITH OTHER POLICIES OR LAW

This policy establishes contracting and signature authority; BP 4.004 establishes procurement methods and solicitation requirements. The policies shall be read together. If a conflict exists between this policy and applicable law, the law controls. If another Board action or resolution establishes more specific authority for a particular program, transaction, or contract, the more specific Board authorization controls for that instance.

Version	Date	Description of Changes
1.0	4/29/2021	Original policy adopted.
2.0	11/17/2026	Comprehensive policy revision; updated thresholds, delegated authority, and contract requirements.