



---

# PROCUREMENT PROCEDURE

---

**SUBJECT:** Vending Machines in City Facilities

**No. P-5**

**Effective:** September 8, 1995

**Revised:** June 1, 2013

**Approved:** Constance P. Sanchez  
**Constance P. Sanchez**  
**Director of Finance**

**Date:** 6-18-2013

## PURPOSE:

To provide guidelines and instructions on vending machine operation at City Facilities. Only vending machines that are operated in compliance with this procedure will be allowed at City facilities.

## PROCEDURES:

- I. All vending machines authorized for installation and operation at a City facility will be obtained through a master contract established by the Purchasing Division.
- II. All commissions earned from vending machines will be submitted by check once a month by the vendor under contract to the Accounts Receivable Division of Financial Services for proper crediting and recording in the General Fund.
  - A. Included with the check will be a summary report outlining the commissions earned from each machine located at each facility.
  - B. The funds will be credited to the General Fund as "vending machine sales".
- III. Restocking of Machines
  - A. The vendor under contract will be solely responsible for restocking the machines.

- B. All vending machines located at City Hall will be under the administration of the Purchasing Division.
- C. All vending machines located at other City facilities will be under the administration of the facility department director.

**RESPONSIBILITIES:**

- I. The Purchasing Division will be responsible for administration of the centralized contract for all vending machines located on City property. Once the centralized contract is in place, no other vending machines will be allowed on City property.
- II. Each facility department director is responsible for identifying all vending machines located at their facility(ies) and removing all machines not authorized by the centralized vending machine contract from City property. Each facility department director will be required to notify the Purchasing Division of the continued need for vending machine service and required inclusion of the facility in the master contract. Each facility department director is responsible for identifying a vending machine custodian for each facility that has a vending machine(s). The custodian will serve as the point of contact for the vending machine operator for all matters dealing with the vending machines to include equipment failure and customer reimbursement for machine malfunctions.
- III. The vending machine operator will be responsible for submitting a monthly report of all sales from vending machines to the Accounts Receivable Division along with the monthly commission check of all commissions earned.
- IV. The Accounts Receivable Division will be responsible for maintaining a monthly record of all commissions earned from vending machines and crediting the proper account in the General Fund.

**CONSEQUENCES:**

It is the responsibility of each respective facility department director to ensure compliance with this procedure for the vending machines in his/her department. Failure to comply with this procedure may result in disciplinary action.

**QUESTIONS ON THIS POLICY:**

Questions on this Policy should be referred to the Assistant Director of Financial Services at (361) 826-3169.