



## 2018 Purchasing Policy

**Policy Title:** Purchasing

**Policy Group:** Administration

**Employee Group:** All Personnel

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### 1.0 PURPOSE(S):

- 1.1** To regulate, standardize and manage the Village of Carmacks's purchases and sales to obtain optimum economic benefit and ensure financial accountability by following proper transaction ethics and employing valid purchasing, sales practices.
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### 2.0 POLICY:

- 2.1** The Village of Carmack's purchases and sells supplies, services, advertising, equipment and capital works every year. It is the Village's aim to control and manage these purchases to achieve optimal economic benefit by following appropriate purchasing ethics and validate purchasing practices.
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### 3.0 Code of Ethics for Village of Carmacks transactions:

- 3.1** To consider first the interests of the Village in all transactions and adhere to all established policies.
- 3.2** To transact without prejudice, seeking to obtain the maximum value for each dollar of expenditure.
- 3.3** To subscribe to work for honesty, truth and integrity in buying and selling and to denounce all forms of bribery.
- 3.4** To co-operate with all organizations and individuals engaged in activities designed to enhance the development of material management.
- 3.5** To purchase products and services locally when practical and reasonably priced.
- 3.6** To co-operate with all organizations and individuals engaged in activities designed to enhance the development and standing of materials management.
- 3.7** To not solicit or accept sponsorship or advertising from companies whose reputation could prove detrimental to the City's public image and/or whose main business is derived from:
- a.** the sale of tobacco; or
  - b.** pornography; or
  - c.** the support of or involvement in the production, distribution, and the sale of weapons and other life-threatening products.

**3.8** To not allow advertising, either directly or through third party arrangements that:

- a. conveys a negative religious message that might be deemed prejudicial to religious groups,
- b. promotes alcohol and other addictive substances, at venues geared primarily to children,
- c. present demeaning or derogatory portrayals of individuals or groups or contain anything, which, in light of generally prevailing community standards, is likely to cause deep or wide spread offense.

**4.0 Objectives for Village of Carmacks transactions are:**

- 4.1 To ensure that as many suppliers and buyers as practicable are given the opportunity to bid.
- 4.2 To perform all transactions in the most cost effective manner while adhering to current trade practices.
- 4.3 To review transaction practices to ascertain if the cost of goods and services may be reduced by purchasing in bulk quantities.
- 4.4 To provide financial control over the expenditure of funds through the use of purchase orders approved by authorized signing authorities. All expenditures must have prior budget approval and/or be authorized by Council resolution.
- 4.5 To provide financial control over the sale of goods and services through the use of contracts approved by authorized signing authorities. All sales must have prior approvals by delegated staff or authorized by a Council Resolution.
- 4.6 To provide further control and continuity by establishing, where practicable, a single authority for ordering interdepartmental common goods and services.
- 4.7 To stock in inventory those goods required on a timely and/or repetitious basis.

**5.0 Bidding Process**

- 5.1 A bidding process shall be determined as follows, unless waived by resolution of Council, or as a result of a bona fide emergency situation.
  - 5.1.1 All Purchases including consulting services:
    - a. Formal public tenders of proposals – all transactions anticipated to be greater than \$ 10,000.00 excluding GST;
    - b. Informal proposals (solicited from specified suppliers) are required for all purchases between and including \$ 2,000.00 and \$ 25,000.00;
    - c. Transactions up to \$ 2,000.00 will be left to the discretion of Departmental Managers or authorized delegates;
  - 5.1.2 The Chief Administrative Officer (CAO) shall have the authority to accept all tenders, up to ten thousand dollars (\$ 10,000.00), subject to the following limitations:
    - a. The Council has provided appropriations therefor;
    - b. that the bid can be reasonably awarded to the lowest responsible bidder; and;
    - c. the CAO provides to the Council a monthly report of all such tender offers and acceptances;
  - 5.1.3 The awarding of all Tenders:
    - a. Any and all tender awards by authorized signing authorities to bidders other than the lowest bidder for sales shall require approval of Council.
  - 5.1.4 A Council resolution is required prior to the award of any contract in excess of \$ 35,000.00 including consulting services. During the budget approval process, Council may request specific approval for an individual project.

**6.0 Bona Fide Emergency** for the purpose of this bylaw will include the development of:

- 6.1** A situation which may endanger the health and/or safety of any Village employee or member of the public; and/or;
- 6.2** A situation that may jeopardize Village property and/or assets or property and/or assets of the members of the public.

**7.0 Disposal of Village Assets**

**7.1** The CAO or authorized delegate shall provide authority for all disposal reports. Disposal of Village assets, provided that they have not been deemed as garbage, shall be made either via a public bidding process or as directed by Village Council.

**8.0 Signing Authorities**

**8.1** Signing authorities are delegated by resolution of Council.

**9.0 Capital Expenditures**

**9.1** Where budgeted, all expenditures of \$ 25,000.00 or less are authorized by the CAO. Any capital expenditure exceeding \$ 25,000.00 will be authorized by Council.

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**RELATED DOCUMENTS:**

18 (18)

18 (18)

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Oct 16, 18  
Effective Date

  
Council Approval

October 16/2018.  
Date Approved