



## Procurement and Asset Disposal Policy

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### GOALS

1. To ensure openness, fairness, and transparency while protecting the financial best interests of Crowe Valley Conservation Authority.
2. To set guidelines for the authority to ensure that the total cost of all purchases of materials, supplies, and services provide the lowest total costs, including: lifecycle costs that are consistent with the required quality, service, product delivery, efficiency and effectiveness.
3. To promote and maintain the integrity of the purchasing process and protect the Board, vendors, and staff involved in the process by providing clear direction and accountabilities, as well as reviewing the policy every five years or earlier to evaluate its effectiveness.

### PRINCIPLES

**Accountability** – Staff authorized to undertake purchasing functions on behalf of Crowe Valley Conservation Authority should at all times be cognizant of their responsibility to the Board of Directors, funding partners, and other members of staff.

**All Costs Considered** – In evaluating bid submissions from responsible and responsive bidders all purchasing shall be completed in a manner which considers all costs, including acquisition, operating, residual, and disposal costs rather than a manner which bases a decision solely on the lowest bid price.

**Canadian Products** – Preference may be given to the purchase of Canadian Goods and/or Services and Consulting Services, when all else being equal, and when it is reasonable in the circumstances to do so.

**Cooperative Purchasing** – Where the best interest of Crowe Valley Conservation Authority will be served, Crowe Valley may participate with other Conservation Authorities, other Governments or their agencies or public authorities in cooperative purchasing ventures or joint contracts.

**Efficient/Effective Purchasing** – Staff will procure the necessary quality and quantity of goods and services, including professional and technical consulting services in the most efficient and cost-effective manner feasible.

**Exemption from Procedure** – The General Manager /Secretary-Treasurer may request an exemption from any procedure outlined in this Policy by obtaining approval from the Board of Directors through a motion recorded in the minutes.

**Occupational Health & Safety** – All contractors required to do work for Crowe Valley Conservation Authority will be required to comply with the Occupational Health & Safety Act.

**Sustainability Ethic** – Crowe Valley Conservation Authority will procure necessary goods and services with due regard to the preservation of the natural environment, will encourage vendors to supply goods made by a method resulting in the least damage to the environment, and vendors will be encouraged to supply goods incorporating recycled materials where possible.

## **DEFINITIONS AND INTERPRETATION**

**Authorized Buyers** means those senior staff members or designated buyers purchasing goods and services on behalf of Crowe Valley Conservation Authority.

**Bid** means an offer or submission from a vendor in response to a request for quotation, tender, or proposal, which is subject to acceptance or rejection.

**Board of Directors** refers to all those members appointed by the member municipalities to act as representatives to Crowe Valley Conservation Authority and subsequently form the Board of Directors.

**Contract** means a binding agreement between two parties.

**Contractor** means the party responsible for providing a service.

**Disposal** is an act through which Crowe Valley Conservation Authority gives up title to real property, and includes a sale, a gift, or the discarding of an item for purposes of this policy, excluding land.

**Goods and/or Services** mean any one or more of: supplies, materials, maintenance, and service contracts.

**Non-Responsive Bids** – Bids which are late, illegible, unsigned, do not contain a deposit, or are in any other way incomplete shall be rejected as non-responsive.

**Proposal** means an offer from a vendor in response to a request or acceptance of which may be subject to further negotiation.

**Purchase Order** means a written offer to purchase goods and/or services, or a written acceptance of an offer submitted in an approved form sent to finance.

**Quotation** means an offer from a bidder to buy or sell goods and services at a specified rate or price.

**Signing Officer** means persons authorized with the bank to sign cheques or legal contracts on behalf of Crowe Valley Conservation Authority. Currently Crowe Valley Conservation Authority's authorized signing officers are the Chair, Vice-Chair, appointed board member, General Manager/Secretary-Treasurer, and the Administrative Assistant. On a day-to-day basis, the General Manager/Secretary-Treasurer and Administrative Assistant will act as the signing officers.

**Tender** means an offer received from a supplier of goods and/or services in response to a formal request for tenders, the acceptance of which will result in the formation of a bidding contract between Crowe Valley Conservation Authority, and the person submitting the tender.

## **PURCHASING LIMITS AND AUTHORIZATION**

For purchases of goods and/or services where delivery is expected over a long period of time, or at irregular intervals (under contract or open orders), the purchase amount is deemed to be the total estimated cost for the contract period. In addition, purchases should not be subdivided to affect purchasing limits. Excludes utility services, such as hydro, gas, phone, and internet.

Dollar amounts are the total cost before taxes and the invoice will be approved directly in accordance with limits.

**Purchases less than \$1,000:**

- Quotation(s) are obtained.
- Approval of the Administrative Assistant is required to ensure budget requirements are met.

**Purchases between \$1,000 and \$10,000:**

- 2 written quotations are required.
- Written approval of the General Manager/Secretary-Treasurer is required.
- Documentation is kept with Administrative Assistant for corporate records and auditing purposes.

**Purchases between \$10,000 and \$20,000:**

- 3 written quotations are required and retained on file for audit purposes. When 3 quotations are not available, the reasons must be documented.
- Reasons for accepting other than the lowest quotation must be documented and retained on file for audit purposes.
- Written approval of the General Manager/Secretary Treasurer is required.
- Signing Officers shall sign the appropriate documents as required.

**Purchases \$20,000 and above:**

- 3 written quotations are required and retained on file for audit purposes. When 3 quotations are not available, the reasons must be documented.
- Reasons for accepting other than the lowest quotation must be documented and retained on file for audit purposes.
- Approval of the Board of Directors is required through a motion.
- Signing Officers shall sign the appropriate documents as required.

**USE OF CORPORATE CREDIT CARD**

The use of the Authority's corporate credit card provides the following main benefits:

- Efficient, flexible, and convenient means for purchasing low value goods and services;
- replaces costly labour intensive and paper-based processes;
- speedier order fulfillment resulting from immediate supplier payment;
- empowerment of employees;
- reduce the need for petty cash; and
- to avoid employee out of pocket expenses for business purposes.

The corporate credit card is not intended to avoid or bypass appropriate purchasing or payment procedures, but to complement existing procedures.

**Cardholder responsibilities include:**

- Using the credit card in accordance with the guidelines set out in this policy.
- Security of the card and ensuring that documents bearing the card number are kept in a secure location with controlled access.
- Taking every precaution to avoid unauthorized use of the card. The credit card number must not be faxed or emailed at any time, and the credit card number is only to be provided for internet purchases if it is known to be a secure site.
- The cardholder must immediately notify the General Manager/Secretary Treasurer if the credit card is lost or stolen.
- Obtaining original receipts for each purchase and submitting to the Administrative Assistant.
- The Cardholder is responsible for the vendor search and selection, product/service specification, quality, quantity, price negotiation, and resolving any problems arising from the purchase including returns and disputed charges.

**DISPOSAL OF SURPLUS GOODS**

This policy does not apply to the disposition of lands held by the Authority.

The General Manager/Secretary Treasurer or designate shall have the authority to sell, exchange, or otherwise dispose of goods declared as surplus to the need of Crowe Valley Conservation Authority. Where it is cost effective, and in the interest of Crowe Valley Conservation Authority to do so, items or groups of items:

- May be offered to other public agencies.
- May be sold by online bid platforms such as, GovStack, external advertisement, formal request, auction or public sale.

Obsolete or surplus goods may be sold or traded to the original supplier or others in that line of business, where it is determined that a higher net return will be obtained.

A reserve price may be established where it is deemed appropriate.

The disposal of goods must be in accordance with current environmental procedures and in a responsible manner.

In the event that all efforts to dispose of goods by sale are unsuccessful, the General Manager/Secretary Treasurer will dispose of such items in an appropriate manner and document the disposition.