



PROCUREMENT AND PURCHASING

Policy No.: CS-FIN-1	Council Resolution No.: 166/10
Department: Corporate Services	Authority: Chief Administrative Officer
Effective Date: 13/09/10	Revision Date:
Review Date: September 2013	Repealed Date:
Supersedes: Procurement and Purchasing Policy No. 06/03/27	
Related Procedure No.:	
Related Procedure Name: Town of Taber Purchasing Procedures Manual	

Purpose

- 1) Council of the Town of Taber deems it desirable to provide a framework for procurement and purchasing activities by the Municipality.
- 2) The Town of Taber endeavors to conduct its financial operations in an ethical and responsible manner.

Policy Statement

The Procurement and Purchasing Policy is guided by the following principles to ensure a minimum standard of performance for purchasing.

- 1) Procure and encourage the most open and fair procurement process practicable for the acquisition and disposal of goods and services, acting with fairness in applying these guidelines equally to all bidders or suppliers.
- 2) Preference shall be given to suppliers operating from taxable property within the Town of Taber, where all bids or quotations offered for consideration are deemed equal. For administrative purposes and to gain operational efficiencies additional local economic advantage may be considered for singular purchases under \$5,000 from Town of Taber vendors.
- 3) Ensure the maximum value of an acquisition is obtained by determining the total cost of performing the intended function over the lifetime of the task. This may include, but not be limited to, acquisition cost, disposal value, disposal cost, training cost, maintenance cost, quality of performance and environmental impact.
- 4) The procurement of goods and services shall be conducted objectively, in an unbiased way, not influenced by personal preferences, prejudices or interpretations in keeping with the codes of ethics established by the Purchasing Management Association of Canada.
- 5) Ensure purchasing is conducted subject to all applicable Town policies and by-laws, any specific provisions of the Municipal Government Act, or other relevant legislation.
- 6) Emergency or extraordinary situations may require necessary purchases being made in the most expedient method. The Chief Administrative Officer shall establish a system



requiring reporting of such occurrences at the next regularly scheduled Council meeting detailing the emergency, extraordinary event and/or related expenditures that exceeded established ceilings or unbudgeted expenditures.

- 7) Administration shall establish procedures for this policy and shall be responsible to ensure the spirit and intent of the policy is adhered to.
- 8) The Chief Administrative Officer (or delegate) will implement the Procurement and Purchasing Policy, by way of establishing the Procurement and Purchasing Procedures Manual as amended from time to time.
- 9) All employees designated with purchasing authority shall be governed by the Procurement and Purchasing Procedures Manual in keeping with the Policy of Employee Conduct Rules and Regulations.
- 10) Purchasing authority limits for approval are as follows:

Purchase Method	Financial Limits	Requirements	Authorization
Purchase Card	Up to \$1,000	Verbal Order – designated purchasing agents procure the good or service directly at the vendors location. Purchase Cards are to be used only with Town of Taber Vendors.	Approved by designated purchasing agent upon showing the vendor their Town of Taber employee photo ID card.
Purchase Order	Up to \$5,000	Verbal Quotes – designated purchasing agent is required to acquire three verbal quotes which are to be documented on the top section of the purchase order. Each quote must include the vendors name, contact information, amounts and comments.	Approved by the functional area manager prior to the purchase being made. Functional area manager has discretion to approve if three quotes cannot be obtained.
Purchase Order	Over \$5,000 up to \$10,000	Informal Written Quotes – designated purchasing agent is required to acquire three informal written quotes (preferably on the vendor’s letterhead) which are to be filed with the purchase order. Each quote must include the vendors name, contact information, amounts and comments.	Approved by the functional area manager prior to the purchase being made. Functional area manager has discretion to approve if three quotes cannot be obtained.
Purchase Order	Over \$10,000 up to \$25,000	Three Formal Quotes – designated purchasing agent is required to acquire three formal written quotes. The functional area manager or designate will receive, open and file quotations, contracts, consultants and financial commitments.	Approved by the functional area manager prior to the purchase being made. Department head has discretion to approve if three quotes cannot be obtained.
Tender or RFP with Purchase	Over \$25,000 up	Tender or Request For Proposal (RFP) – designated purchasing agent	Approved by the department head within



<p>Order to confirm</p>	<p>to \$75,000</p>	<p>is required to prepare tender or RFP documents in accordance with established Town and/or Provincial procedures. The department head will receive, open and file the documents with results recorded in the tender or RFP opening records. The department head must also include in the records any contracts, consultants and financial commitments. The department head will award the tender to the successful bidder under the criteria established in the tender or RFP documents.</p>	<p>budgeted limits. Chief Administrative Officer (CAO) has discretion to approve outside of budgeted limits and/or if the recommendation is other than the successful bidder under the criteria established in the tender or RFP.</p>
<p>Tender or RFP with Purchase Order or formal contract to confirm</p>	<p>Over \$75,000</p>	<p>Tender or Request For Proposal (RFP) – Chief Administrative Officer (CAO) or designate is required to prepare tender or RFP documents in accordance with established Town and/or Provincial procedures. The CAO or designate will receive, open and file the documents with results recorded in the tender or RFP opening records. The CAO or designate must also include in the file any contracts, consultants and financial commitments. The CAO or designate will then prepare a Request For Decision (RFD) for Council approval with a recommendation to award the tender to the successful bidder under the criteria established in the tender or RFP documents.</p>	<p>CAO approves the Purchase Order or contract through Council approval.</p>

R. Bryant
MAYOR

September 13, 2010
DATE

C. ...
CHIEF ADMINISTRATIVE OFFICER

September 13, 2010
DATE

