



MUNICIPAL DISTRICT OF PEACE NO. 135

<p>PREPARED BY: Barbara Johnson REVISED BY: Margaret McClarty</p>	<p>ADOPTED BY: COUNCIL</p>	<p>NUMBER: ADM-32</p>
<p>TITLE: Purchasing</p>	<p>PREPARED: January 12, 2021 REVISED: October 22, 2024</p>	
<p>PURPOSE OF THIS POLICY: To provide municipal employees and Council with a clear understanding of the internal guidelines to be used for the acquisition of goods and services and to ensure that goods and services are acquired in a transparent and fair process that economically uses Municipal funds.</p>		
<p>POLICY STATEMENT:</p> <p>To provide municipal employees and Council with a clear understanding of the internal guidelines to be used for the acquisition of goods and services and to ensure that goods and services are acquired in a transparent and fair process that economically uses Municipal funds.</p> <ol style="list-style-type: none"> 1. The annual operating and capital budgets, as approved annually by the MD of Peace Council, determine the limits and context of expenditures in any given year. Council does not need to approve any budgeted expenditures that are equal to or under the budgeted amount. 2. Purchase orders (PO) are to be issued whenever needed for capital purchases. PO's must be completely filled out as soon as the purchase is authorized, with the yellow copy immediately given to accounting and the white copy given to the supplier. Once the invoice for the purchase is received, the accounting department will attach the PO to the invoice. 3. Department supervisors and senior administration are responsible for acquiring two quotes on any purchases in amounts greater than \$5,000, although certain circumstances may require the use of a sole source supplier. 4. Council considers that it is in the best interest of the region to encourage local supply of goods and services and therefore commits to purchases from local suppliers where costs and quality are competitive and comparable, considering travel time, specifications and investment in local communities. 5. Authority to purchase on behalf of the Municipal District: <ol style="list-style-type: none"> 5.1 Chief Administrative Officer: up to the scope of the budget 5.2 Department Supervisors: up to \$10,000 if provided for in the annual budget 5.3 All other permanent full-time staff: up to \$1,000 5.4 Seasonal staff with Supervisor approval: up to \$500 5.5 Tendering/Bidding Process for purchases greater than \$75,000 		



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<ol style="list-style-type: none"> 6. Any expenditures of a non-budgeted amount of less than \$10,000 will require the approval of the CAO with advisement to Council as soon as possible. Council shall review and authorize any non-budgeted expenditures of \$10,000 or greater. 7. The MD has two corporate credit cards, which are kept in the vault. One in the CAO's name and one in the Assistant CAO's name, to be used for MD business. The card can be used by Administration or the Manager of Agricultural Services and receipts must be given to the Director of Finance. 8. \$100 in petty cash is kept as a float in the office vault and is to be used for small cash purchases where there is a receipt to replace the cash. The float will be replenished as needed by issuing a cheque payable to cash. Petty cash must be balanced each month (receipts + cash must = \$100) and the petty cash float must equal \$100 cash only at year end. 9. The process for initiating a tender or Request for Proposal will be as follows: <ol style="list-style-type: none"> 9.1 a Request for Quotation (RFQ), Request for Proposal (RFP) and/or Invitation to Tender is to be used 9.2 no tenders are required when group-purchasing programs are utilized (RMA and AUMA group purchases), but periodic price checks must be conducted 9.3 if criteria other than price will be used to evaluate the tenders, such criteria and the evaluation process must be specifically identified in the tender documents 9.4 all applicable legislation, including but not limited to, <i>Municipal Government Act</i>, Federal and Provincial trade agreements, and the <i>Freedom of Information and Protection of Privacy Act</i>, will be observed 9.5 tenders or RFPs for services in amounts of \$75,000 and higher or construction of \$100,000 or higher will be advertised on the Alberta Purchasing Connection website 9.6 sealed tenders shall be opened by the CAO and a senior administration staff member. A Request for Decision which summarizes and evaluates the specifics of each tender will be prepared for the next Council meeting. Council will award the tender by Council resolution and Administration will advise all stakeholders of the successful tender. 10 In an emergency situation, supervisors or senior administration have the authority to make purchases outside of normal purchasing situations. These purchases should be reported to the CAO and Council as soon as reasonably possible. 		
<p>This policy was APPROVED by Council on October 22, 2024 BY Motion #456/24</p>		