

Purchasing Policy:

Date Approved by Board:	2012.06.21	Resolution No:	12 050
	2016.08.18		16 097
	2017.09.21		17 091
	2018.04.25		18 046
Lead Role:	GM	Replaces:	N/A
Last Review Date:		Next Review Date:	2021.04.11

Policy Statement

Beaver Municipal Solutions (BMS) establishes the following purchasing policy in order to ensure that goods and services acquired by the organization represent fair market value, are of reliable high quality and workmanship, are professionally and expeditiously delivered, and are acquired via competitive, transparent, equitable and efficient purchasing practices.

Guidelines

Guidelines

- Purchasing Authorization Limits based on position grade levels in Attachment 1:

Capital (New)	Operating	
Up to \$25,000	Up to \$5,000	Supervisors and coordinators, defined as position grade levels 7 and 8, shall review and authorize any purchase approved in the budget with a total value of \$25,000 or less for capital and \$5,000 for operating.
Up to \$50,000	Up to \$25,000	Managers at position grade levels 9 to 11 shall review and authorize purchases within the budget up to \$50,000 for capital and \$25,000 for operating.
Up to \$100,000	Up to \$50,000	Executive positions at grade level 12 have a maximum approving authority for budgeted expenditures with a total value not exceeding \$100,000 for capital and \$50,000 for operating.
Up to \$500,000	Up to \$500,000 12-month contracts	The General Manager, at grade level 13, shall review and authorize purchases approved in the budget to a maximum value of \$500,000 and maximum term of 1 year.
	Above \$500,000 or multi-year contracts	The Board, through a resolution, will approve all contracts in excess of \$500,000 and contract terms exceeding 1 year.
	Non-Budgeted Purchases	The General Manager, at grade level 13, shall review and authorize non-budgeted purchases up to \$50,000. Anything above this limit requires Board approval.
	Contracts related to Board matters	Contracts pertaining to Board matters (e.g., selection of external auditor, Board consultant, etc.) requires Board motion.

2. Purchases of goods and services will be generally covered by a Purchase Order duly approved in accordance with the Purchasing Authorization Limits above.
3. Exceptions to issuing a Purchase Order include, but not limited to the following:
 - a. Business expenses as per FIN-001
 - b. Expenses not exceeding \$250
 - c. Capital Construction Projects (see BRD-013)
 - d. Expenses where a Purchase Order is not practical (e.g., freight, utilities, lawyer's fees, IT services, etc.)

Notwithstanding the absence of a Purchase Order, the exceptions should be authorized in accordance with the Purchasing Authorization Limits. Capital Construction Projects shall be covered by an award letter and a construction contract in accordance with BRD-013.

4. Goods and services will be competitively sourced, wherever, and whenever possible, by Beaver Municipal Solutions, using a written specification of the good and/or service required, detailing the terms of service and delivery. The written specification will be prepared by a person competent and knowledgeable regarding the good and/or service requested.
5. The specification for the good and/or service requested, and the written quotations/proposals received in response to the issuance of the purchasing request, will accompany all purchase orders/contracts for goods and/or services required.
6. Purchase orders/contracts will be awarded to vendors solely based on the best value and return to Beaver Municipal Solutions.
7. Specifications for goods and services requested will be composed to elicit a fair and equitable market response to the purchasing request.
8. Requests for goods and/or services of a value between \$20,000 and \$74,999, orders may be placed based on receiving 3 written quotations or proposals where practical and advantageous to BMS.
9. Requests for goods and/or services of a value greater than \$75,000, and construction services of a value greater than \$200,000, will be publicly advertised in accordance with the New West Partnership Trade Agreement (attached).
10. Where by virtue of the special requirements of a good or service, a sole vendor is solicited for a purchase, a written explanation will accompany the purchase order/contract.
11. BMS may consider opportunities to generate cost savings through discounts for bulk purchases or preferred supplier arrangements.
12. Contract extensions or renewals, unless part of the original contract, are to be added to the original contract value and evaluated using the Purchasing Authorization Limits.
13. The following activities are prohibited:

FIN-009 Beaver Municipal Solutions (BMS/BRWMSC) Commission Policy

- a. Splitting purchases to avoid the requirements of this policy.
 - b. Purchase by an employee or Board member of any goods and services for personal use.
 - c. An employee shall not accept a gift, favor or service from any supplier or contractor that may be construed as creating bias in decision making subject to provisions of HUM-001 Code of Ethics.
14. Purchases from any employee, Board member or their immediate families must be disclosed and evaluated the same way as an unrelated party transaction.
15. BMS reserves the right not to deal with suppliers and contractors with prior documented performance issues.

Related Policies:

- FIN-003 - Accounting for Tangible Capital Assets
- FIN-001 – Employee Business Expenses
- HUM-001 - Code of Ethics and Responsibilities
- BRD-013 - Contractual Services

Appendices:

- Guidelines NWPTA