

Community of North Rustico, Prince Edward Island Purchasing Policy

Policy # 2013-P-3

Council approval date Aug 28, 2013

Effective August 28, 2013

General

1. The Community of North Rustico strives to purchase goods and services of appropriate quality at the lowest cost while ensuring that: all purchasing actions are fair and impartial with no impropriety nor appearance of impropriety, all qualified buyers and sellers have access to community business, no source is arbitrarily or capriciously excluded, and that there is the maximum amount of competition for community business.

Local purchasing

2. All businesses located within the Community of North Rustico must be given equal opportunity to supply goods or services to the municipal corporation. Employee's engaged in purchasing activities must solicit the local business community in all transactions.

If all factors including price, quality, delivery and suitability to the need are equal, purchase preference shall be given to the supplier manufacturing or offering the goods or service from an establishment within the Community of North Rustico.

Purchasing authority

3. Purchasing authority is delegated and limited to those employee's specifically tasked with the responsibility for purchasing as approved by the Community of North Rustico Council; the limits of this authority are as defined by the parameters of this policy.

Delegated purchase authority

4. (1) The administrator has authority to execute purchases pursuant to subsections 7 (2) and 7 (3) below that have been previously approved by council through the budget process; the administrator shall conduct all other purchasing activities with the express approval of the council whether the purchases have prior budget approval or not.

(2) The administrator may further sub delegate the purchasing authority in (1) above.

Gifts

5. Community of North Rustico staff shall not solicit or accept gifts, gratuities or favours from suppliers or potential suppliers other than items of a very low value (\$5.00 - \$10.00 maximum) which are of an advertising nature.

Confidentiality of information

6. Community of North Rustico staff must not release any information made available to them as an employee that is not available to the public on request.

Information made available to a potential supplier must be made available to all potential suppliers. During a competitive or bidding process personnel shall not release:

- a) budget or cost estimates;
- b) pricing or costing from competing suppliers;
- c) names of competitors prior to award; or
- d) any information which may provide one supplier with an advantage over another.

Any and all information provided by a potential supplier during the bidding process shall remain confidential pending bid analysis and award.

Acquisition value thresholds

7. (1) Purchasing methods shall be commensurate with the relative value of the goods or services being acquired in accordance with this section.

(2) A low value acquisition of \$500 or less may be conducted with telephone solicitation (consider the local business community first). Three telephone quotations should be obtained where appropriate and available. Rotate vendor selection where quality and cost are equal.

(3) All purchasing activity for the acquisition of goods or services having an estimated aggregate value of more than \$500 but less than \$5,000, require documented telephone solicitation from a minimum of three potential suppliers and must, where applicable, include the local business community. Fair and equal access must be made available to all interested suppliers.

(4) All procurement of goods or services having an estimated aggregate value of more than \$5,000 but less than \$100,000 shall require written bids or quotations from a minimum of three potential suppliers.

(5) All purchasing activity involving transactions of \$ 100,000 or more shall be subject to a formal tender process.

Note: For any policy to be a policy of council it must be adopted by resolution by the council at a public meeting.