



Procurement

Policy No.: CS-FIN-1	Council Resolution No.: 206/2022
Department: Corporate Services	Authority: Council
Effective Date: September 13, 2010	Revision Date: May 24, 2022
Review Date: May 2025	Repealed Date:
Supersedes: Procurement and Purchasing Policy No. CS-FIN-1 11/12/19	
Related Procedure No.: CS-FIN-1	
Related Procedure Name: Procurement	

1.0 PURPOSE

- 1.1 To establish the basic direction, philosophies, climate and values upon which the procurement function must operate. The objective of the Town's Procurement Policy is to ensure that the acquisition of goods and services by purchase or lease with Town funds from all sources, including both operating and capital expenditures, are acquired through a fair, open, transparent and competitive process that uniformly balances the interests of taxpayers with the fair and equitable treatment of suppliers.

2.0 POLICY STATEMENT

- 2.1 The Town of Taber must maintain high legal, ethical, managerial, and professional standards in the management of the resources entrusted to it as a publicly funded entity. To ensure these standards are met, the Town will:
- 2.1.1 Employ qualified and trained staff skilled in purchasing techniques including Request for Tenders (RFT), Request for Information (RFI), Request for Proposal (RFP), Request for Qualifications (RFQ), Invitation to Quote (ITQ), negotiating, contractual terms and conditions, cost reduction techniques, and cooperative buying processes, strategic sourcing strategies and initiatives;
- 2.1.2 Employs the use of purchasing agreements and trade programs established by other government agencies, or organizations; working on the behalf of government in support of the procurement of goods and services through innovative buying techniques. This includes, but not limited to the Affinity and Standing Offers Programs established by the Alberta Municipalities, and Canoe Procurement Group of Canada. Competitive quotations and tenders are not required for goods or services (at any value) where the supplier is a department, agency, or utility of the federal, provincial, regional or municipal government or when utilizing




Government Standing Offer agreements, Established contracts and procurement services from Alberta Municipalities or Canoe.

- 2.1.3 Embed ethical, environmental and economic performance criteria into the Town's supply chain procedures, processes and activities;
- 2.1.4 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, total cost of ownership, anticipated operating and maintenance costs, life cycle costing, salvage value, payment discounts, training, foreign exchange, custom and brokerage fees, transportation costs and environmental impact; acquisition cost, disposal value, disposal cost, training cost, maintenance cost, quality of performance and environmental impact;
- 2.1.5 Ensure the procurement of goods, services, and construction projects are 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 and/or the National Institute of Governmental Purchasing;
- 2.1.6 Be consistent with all Town policies and by-laws, and other relevant legislation.
- 2.1.7 When not prohibited by legislation, legal requirements or trade agreements, if local source of supply can be found that can render the Town of Taber as good a value as can be located elsewhere, it will be supported.
- 2.1.8 Emergency or extraordinary situations may require necessary purchases being made in the most expedient method. The Chief Administrative Officer shall report such occurrences at the next regularly scheduled Council meeting detailing the emergency, extraordinary event and/or any related expenditures that exceeded established ceilings or unbudgeted expenditures.
- 2.1.9 Purchasing authority limits for approval are as follows:
 - 2.1.9.1 Up to \$5,000 – P-Card – Approved by the designated Purchasing agent (summary Reports approved by the Department Head).
 - 2.1.9.2 Over \$5,000 up to \$25,000 – Informal Quotes – Approved by functional Manager.
 - 2.1.9.3 Over \$25,000 up to \$75,000 (Goods & Services) – Competitive Bids (by Invitation or Publicly Advertised) – Approved by Department Head within previously approved budget limits, by the CAO outside previously approved budget limits.
 - 2.1.9.4 Over \$25,000 up to \$200,000 (Construction) Competitive Bids (by Invitation or Publicly Advertised) – Approved by Department Head within previously approved budget limits. Budget approval required through a Council motion outside previously approved budget limits.



2.1.9.5 Over \$75,000 (Goods & Services) – Competitive Bids (Publicly Advertised) – CAO or designate approved the Purchase Order and/or Contract within previously approved budget limits. Budget approval required through a Council motion if over previously approved budget limits.

2.1.9.6 Over \$200,000 (Construction) – Competitive Bids (Publicly Advertised) – CAO or designate approves the Purchase Order and/or Contract if within previously approved budget limits. Budget approval required through a Council motion if over previously approved budget limits.

 PROCUREMENT THRESHOLDS & AUTHORIZATION AT-A-GLANCE						
		Goods & Services			Construction	
FINANCIAL LIMITS	Up to \$5,000	Over \$5,000 up to \$25,000	Over \$25,000 up to \$75,000	Over \$75,000	Over \$25,000 up to \$200,000	Over \$200,000
DOCUMENTATION	Purchase Card or Purchase Order	Purchase Order or Blanket Purchase Order	Purchase Order &/or Service Contract	Purchase Order &/or Service Contract	Purchase Order &/or Construction Contract	Purchase Order &/or Construction Contract
PROCUREMENT METHOD (Minimum Requirement)	VERBAL ORDER	INFORMAL QUOTES (Minimum of 2 Vendors)	COMPETITIVE BIDS (May be by invitation or publicly advertised)	COMPETITIVE BIDS (Publicly Advertised)	COMPETITIVE BIDS (May be by invitation or publicly advertised)	COMPETITIVE BIDS (Publicly Advertised)
DESCRIPTION	Verbal Order	Verbal or Written	RFT, ITQ, RFI, RFP or SS	RFT, ITQ, RFI, RFP or SS	RFT, ITQ, RFI, RFP or SS	RFT, ITQ, RFI, RFP or SS
AUTHORIZATION	Approved by designated purchasing agent. Receipts must be signed, coded and submitted to Finance. P-Card Summary Reports are to be approved by the Department Head.	Approved by the functional area Manager prior to the purchase being made.	Approved by the Department head within budgeted limits. Approval outside 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 bid documents. Single or Sole Source (SS): Justifications at this procurement value must be approved by the Department Head.	CAO or designate approves the Purchase order &/or contract within previously approved budget limits. Approval outside budgeted limits: The CAO or designate will prepare a Request for Decision (RFD) for Council approval with a recommendation to award to the successful bidder under the criteria established in the Tender or RFP documents. Single or Sole Source (SS): Justifications at this procurement value must be approved by the CAO.	Approved by the Department head within budgeted limits. Approval outside 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 bid documents. Single or Sole Source (SS): Justifications at this procurement value must be approved by the Department Head.	CAO or designate approves the Purchase order &/or contract within previously approved budget limits. Approval outside budgeted limits: The CAO or designate will prepare a Request for Decision (RFD) for Council approval with a recommendation to award to the successful bidder under the criteria established in the Tender or RFP documents. Single or Sole Source (SS): Justifications at this procurement value must be approved by the CAO.

2.2 Administration shall establish procedures for this policy and shall be responsible to ensure the spirit and intent of the policy is adhered to.



3.0 ADDITIONAL REFERENCES

- Employee Code of Conduct Policy CS-HR-3



MAYOR

June 17, 2022
DATE



CHIEF ADMINISTRATIVE OFFICER

June 2/22
DATE



242500

10/10/10

