NEW WESTMINSTER

The City of New Westminster

Procurement Policy

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NEW WESTMINSTER

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OBJECTIVES

The purpose of this policy is to outline the requirements for the procurement of goods, services and construction for the City of New Westminster, the New Westminster Police Department and the New Westminster Public Library.

Effective procurement is a critical support function for local governments as they responsibly manage the public funds placed in their trust. The procurement system must be responsive, cost effective, and as open as possible to public scrutiny.

The effectiveness of local government procurement is enhanced by:

(a) Ensuring a range of goods and services are provided to the user in the appropriate quantity, quality, timeliness and value;

(b) Establishing and maintaining simple, clear and well explained processes for users, vendors and the public;

(c) Promoting a total value concept related to the purchase of a good or service which includes the full range of costs including acquisition, maintenance, replacement, disposal and training costs as they relate directly to the purchase of the good or service;

(d) Promoting environmentally friendly goods and services that make lesser or negligible demands on non-sustainable resources and avoid goods and services that adversely affect air, water or terrestrial environments during their use or disposal;

(e) Encouraging the most open process practical ensuring availability to all qualified or pre-qualified vendors;

(f) Providing full disclosure of criteria and considerations used for:

  i) Qualifying vendors
  ii) Determining equivalency
  iii) Measuring quality
  iv) Distributing potential cost savings between vendor and purchaser (value analysis).

(g) Providing the mechanisms to allow for flexibility in the process in the event of unanticipated and unplanned circumstances.

GENERAL GUIDELINES

Procurement is the process by which a government acquires goods and services (including for capital works). The essential elements of the City's procurement policy are:

Authority

All staff members undertaking procurement actions must have formal authorization to do so. The City's Delegation of Authority Bylaw grants certain powers to specified City official to enter contracts on behalf of the City. Through this policy and the Delegation of Authority Bylaw, Council provides the authorization for certain City staff to perform and oversee various steps of the procurement process as outlined on the Schedule of Purchasing Authorities and Responsibilities on Page 7 of this policy. All goods and services are to be acquired in accordance with this policy unless authorized on an exception basis by City Council or the CAO.

Competition

The method of procuring goods and services will be competitive where possible to:

- Reduce costs to the public through marketplace competition;
- Encourage innovation and efficiencies;
- Demonstrate fair and open selection criteria.

The level of competition required for City purchases is based on the dollar value and nature of the specific purchase ensuring the cost associated with administering a competitive process is proportionate to the benefit received as a result of the competition. For example, the cost of advertising for vendor competition on certain small product purchases would exceed the cost of the product. Conversely, the City would incur the expense of a formally advertised tender or RFP for very large purchases. For thresholds and competition requirements see the Schedule of Purchasing Authorities and Responsibilities on Page 7 of this policy.

Documentation

Procurement process documentation will either be documented in writing or retained electronically through the City's ERP system. The City is subject to the Freedom of Information and Protection of Privacy legislation. Therefore procurement decisions will be subject to public scrutiny from time to time. It is critical that staff not only follow the City's stated policies but be able to demonstrate compliance.

Approvals

The "Procure to Pay" model requires approvals at various stages of the process. Staff is required to seek approvals for the acquisition of goods and services at:

- The point of Requisition
- The point of Commitment
- The point of Payment

The purpose of the multiple approvals is to ensure that various City staff that understand the purchase, application and budgetary constraints, have viewed the transaction and acceptance of the good or service once provided.

Compliance

Both the City and the City's suppliers are required to adhere to the legal commitments made. Contractual commitments come in many forms, ranging from purchasing card transactions to purchase orders and formally executed contracts. All of these contracts are binding on the City. The appropriate form of contract is determined by the dollar value of the specific transaction and is set out on the Schedule of Purchasing Authorities and Responsibilities on page 7 of this policy.

This policy is designed to assist City staff in meeting the City's procurement objectives and to protect the City and its staff against potential litigation and perceived or actual conflicts of interest.

Conduct

City employees are expected to conduct themselves with personal integrity, ethics, honesty and diligence when acquiring goods and services. Employees are to avoid placing themselves in situations where their personal interests actually or potentially conflict with the interest of the City. City employees must ensure that the objectivity of their decisions is not compromised or influenced by the acceptance of gifts, gratuities, or hospitalities of any kind. All City employees shall adhere to the City's **Code of Conduct Policy**.

Disposal of Assets

The City's Purchasing Division shall have the authority to dispose of any vehicles, equipment, furniture, materials, or supplies no longer required by the City, but that may still have some economic value. Disposal of items will be by way of sale at public auction, sale by public offer, transfer to another department, trade in allowance, or donated to non-profit organizations. City employees may not be given any surplus items and will not be able to buy surplus items directly from the City unless the sale is through a third party.

Local Preference

Preference shall be given to suppliers located within New Westminster, British Columbia, and Canada, in that order, where quality, specifications, service, price and delivery are equivalent.

Budgetary Requirement

The Purchasing Division and City staff have no authority to proceed with the procurement of goods or services unless the proposed expenditure is included in the City's Financial Plan. The exception to this requirement is in the event of an emergency purchase. See Emergency Purchases page 6.

Sustainability / Ethical Purchasing

The City will procure goods and services with due regard to the City's commitment to encourage the use of environmentally-friendly and fair trade/ethical products, services and practices. All City departments that make purchases of goods and services or contract with others to make purchases shall consider the environmental, social and economic value of the goods and services being purchased with the intent to shift towards products and services that are more environmentally sound and socially beneficial. As part of the City's efforts for ethical purchasing, the City of New Westminster is a "Living Wage Employer". See **Living Wage Employer Policy** for greater detail.

METHODS OF PROCUREMENT

Negotiation:

The City may negotiate with one or more vendors leading to a contract when one of the following conditions exists: limited vendor selection, only one source exists; two or more identical offers or proposals have been received; all offers or proposals exceed the budgeted amount; or all offers or proposals received are not acceptable. Negotiations with a single vendor can also be used when the City has a clear, justifiable preference. In addition, negotiations can be used to extend a contract if the contract allows and it is deemed to be in the best interest of the City to extend the contract.

Competitive:

Vendors are given equal opportunity to submit competitive bids or proposals in accordance with this policy. The recommendation to council or other City official authorized under the Delegation of Authority Bylaw to enter the applicable contract on behalf of the City as to the preferred bid or proposal shall be made by the Director of Finance and IT or Purchasing Manager or delegate and may be based upon the recommendations of an evaluation committee, depending on the value and complexity of the purchase. The process may involve a negotiation phase with one or more bidders or proponents. Bids or proposals, for example the acquisition of consulting and professional services, are to be evaluated and awarded based on an overall value assessment including capability, methodology, historical performance, and cost, as may be applicable, rather than simply the lowest price.

Discretionary:

The usual rules are waived due to the limited value of the acquisition, $15,000 and under, or due to the unique nature of the transactions. Purchases of this nature are made in accordance with individual's authority limits and are deemed to be in the best interest of the City. The purchase is to be made by authorized staff in accordance with this policy.

Emergency:

Emergency means a situation or an impending situation that constitutes a danger that could result in serious harm to persons or substantial damage to property and that is caused by the forces of nature, a disease or other health risk, an accident or an act or omission whether intentional or otherwise.

Emergency situations may occur which require immediate commitment of materials, equipment and or services. In such situations, the authorized person in charge of the situation will approve any commitments made on behalf of the City and will process the appropriate documents during the first business day following the event. Where the expenditure can be accommodated within the Financial Plan, whether out of contingency funds or reallocations, the CAO or respective Department Head is authorized to approve the expenditure. Emergency purchases that cannot be accommodated within the Financial Plan will be authorized by the appropriate Department Head and reported to Council at a regular council meeting as soon as practical following the making of such an expenditure. Council must amend the Financial Plan to include the expenditure and funding source for the expenditure.

Cooperative Purchasing:

This policy provides the authority to the Purchasing Manager or authorized purchasing staff to participate in co-operative purchasing.

The City may participate with other government agencies or public authorities in cooperative acquisition ventures where it is in the best interests of the City to do so and will follow the procedures set out by the agency responsible for the venture and not those detailed in the Purchasing Authorities and Responsibilities table.

Purchasing Authorities and Responsibilities – For All Goods and Services Including Consulting and Construction

	VALUES			
	$0 → $5,000.00	**$5,000.00 → $15,000.00**	**$15,000.00 → $75,000.00**	**$75,000.00 →**
BUDGET AUTHORITY	Departmental Staff as authorized by the Department Director / General Manager, Electric Utilities Commission.	Departmental Staff as authorized by the Department Director / General Manager, Electric Utilities Commission.	Department Director / General Manager, Electric Utilities Commission	Department Director / General Manager, Electric Utilities Commission
COMMITMENT AUTHORITY			Purchasing Manager or Department Director or GM, Electric Utilities Commission per Delegation of Authority Bylaw. The authority to commit City funds up to and including $50,000 outside of the budgeted amount is the Purchasing Manager by way of direction from the initiating Dept's Director / GM, Electric Utilities Commission and the Director of Finance and Information Technology. If the amount is over $50,000 the authority to commit will be by the direction CAO for a further amount of up to $100,000 and by direction of Council for any further funds.	Purchasing Manager per Delegation of Authority Bylaw. The authority to commit City funds up to and including $50,000 outside of the budgeted amount is the Purchasing Manager by way of direction from the initiating Dept's Director / GM, Electric Utilities Commission and the Director of Finance and Information Technology. If the amount is over $50,000 the authority to commit will be by the direction CAO for a further amount of up to $100,000 and by direction of Council for any further funds. See Page 11 regarding Capital Construction Project variances.
COMPETITION	Discretionary - Purchase Card / Purchase Order	Discretionary – Purchase Order	3 - Written Quotes Order.	Formal Tender or RFP; Must be advertised
DOCUMENTATION	See Page 8 for further details	Purchase Order	Contract or Purchase Order	Contract or Purchase Order

CO-OPERATIVE PURCHASES	See Page #6
EMERGENCY PURCHASES	See Page #6
SPECIAL CATEGORY EXPENDITURES	See Pages #13 - 14

Anyone with responsibility for initiating or approving a Purchase Requisition under this schedule, is accountable and responsible to ensure that proper and adequate budget authorities exist and the purchase does not violate any City Policy, legal or statutory requirements.

ALL GOODS AND SERVICES
Under $5,000 and $5,000 - $15,000

These two discretionary categories represent a large number of orders that are small in value. Best value in this category is obtained through an expedient purchasing process to efficiently use staff time. Small value goods and services include, but are not limited to, consumables, small cleaning tasks, minor repairs and consulting engagements of short duration.

Authority (Under $5,000)

a) Authorized cardholders will use Purchase Cards or Purchase Orders for departmental purchases within their established authorization limits. Cardholder authority is limited to the staff member whose name appears on the card. The card may only be used to make purchases within the parameters established by the City and the cardholder's department. Parameters include credit limit, transaction limit, and monthly limit.

b) Purchasing Services will analyze interdepartmental small value purchases for volume buying opportunities. Cardholders must comply with use of volume buying agreements as established.

Authority ($5,000 – $15,000)

Authorized staff will use Purchase Orders for departmental purchases within their established authorization limits.

Competition

Authorized staff can use their discretion for the acquisition of goods and services at these value thresholds. Staff acquiring goods and services at these levels have the responsibility of ensuring the City receives value.

Documentation (Under $5,000)

Cardholders are responsible for maintaining a complete record of all purchases made with Purchase Cards. Please refer to the **Purchasing Card Policy.** A system generated Purchase Order can be used where the value of the purchase exceeds a cardholder's transaction limit.

Documentation ($5,000 - $15,000)

A system generated Purchase Order and written quote is required.

Volume Buying Agreements

Purchasing Services will analyze interdepartmental small value purchases for volume buying opportunities. Staff designated with authority to acquire goods and services at these levels must comply with use of volume buying agreements as established.

ALL GOODS AND SERVICES
$15,000 - $75,000

This category represents purchases that are midrange in value. Best value in this category is achieved through sound purchasing practices balanced with efficient use of staff time. A three-quote process is required to ensure the purchases are best value and competitive.

Authority

The authority to commit the City to a contract is by the Purchasing Manager or Department Director / GM, Electric Utilities Commission. If the cost for a project is over the budget amount but the excess does not exceed $50,000, the Department Director or the GM, Electric Utilities Commission for that specific budget item and the Director of Finance & Information Technology shall authorize the expenditure. If the additional amount exceeds $50,000 the overage must be authorized by CAO subject to the limits set out under the Delegation of Authority Bylaw and otherwise Council.

It is important to note that a request for quotes and a purchase requisition are requests only and not a contractual commitment of any kind on the part of the City. Staff have no authority to make commitments on behalf of the City via a verbal, written or implied agreement and may only contractually commit by properly authorized and issued purchase order or execution of a contract agreement.

Competition

The requisitioner, or Purchasing Division upon request, must obtain a minimum of three written quotes to be attached to the purchase requisition. When the minimum of three written quotes are not available, there should be an explanation of “Non-Compliance”. Examples of “Non-Compliance” are:

- Sole Source supplier;
- Vendor base insufficient to provide suitable number of quotes;
- Proof of sufficient effort to comply with minimum of three written quotes must be included.

Documentation

Compliance with the City procurement policy is documented by way of:

- Properly approved purchase requisition;
- Minimum three written quotations attached to the purchase requisition;
- Purchase order approved by the Purchasing Manager or Department Director of initiating Dept / GM of Electric Utilities Commission.
- Signed Contract in the case of Construction or Services signed by the Purchasing Manager or Department Director or GM, Electric Utilities Commission.
- Completion of a “Budget Variance Acceptance Form” when the actual purchase amount exceeds the budgeted amount by a value less than or equal to $50,000. The Department Director or GM, Electric Utilities Commission shall acknowledge the re-allocation of budgeted funds from one item to another to offset the overage, through the submission of a “Budget Variance Acceptance Form”

The authorizing signature on the requisition verifies:

- The purchase is for City purposes;
- Approval of budget funds available within the Budget Manager authority;
- Compliance with Procurement Policy;
- Proper account coding of the expenditure or capital acquisition;

ALL GOODS AND SERVICES
> $75,000

This category represents purchases that are large in value and have been approved by Council through the budget process. Further approval is only required when the expenditures will exceed the approved budget amount. These are purchases that require an extensive competitive process to ensure the City's procurement objectives are met.

Authority

The authority to commit the City to a budget approved contract is delegated to the Purchasing Manager by way of a purchase order or contract.

The authority to commit City funds up to and including $50,000 outside of the City budgeted amount is the Purchasing Manager by way of direction from the Department Director / GM Electric Utilities Commission and the Director of Finance & Information Technology. If the overage is in excess of the project budget amount by $50,000 or greater, the authority to commit will be by the direction of CAO, per Delegation of Authority Bylaw, or otherwise by Council.

Competition

The competitive process used by the City may be a Request for Expression of Interest (RFEOI), an Invitation to Tender or a Request for Proposal (RFP) depending on the nature of the goods and services to be provided. The City has developed standard documents for each of these competitive processes.

Purchasing Services will be responsible for issuing RFEOI's, RFP's and Tenders when requested by a department or where no one department assumes sole ownership. Alternate approved documents may be used and Purchasing Services will retain responsibility for providing document numbering, process tracking and maintaining document files. When departments choose to use alternate documents they must ensure that Purchasing Services is involved. These documents must be approved by the Purchasing Manager.

Documentation

Compliance with the City Procurement Policy is documented by:

- Properly approved purchase requisition;
- A City document for a Request for Expression of Interest, an Invitation to Tender or RFP amended to include the project specifications as outlined by the requesting department and stated evaluation criteria for successful bidders or proponents;
- A summary of the evaluation of bids or proposals against the stated evaluation criteria;
- The Department Director / GM, Electric Utilities Commission must advise through the use of the "Budget Variance Acceptance Form" how any budget overage, under $50,000 is to be offset within the initiating Department's overall capital budget
- A final signed contract (either with a formal contract or a Purchase Order) with the successful bidder or proponent;
- Evidence of insurance and Worksafe BC compliance.

The Purchasing Division will summarize all awards and change orders in excess of $100,000 for Council on a tri-annual basis.

POINTS TO REMEMBER ON ACQUISITIONS IN EXCESS OF $15,000

- Purchase Requisitions require “two” approvals. One from the actual requester and a second from an individual with budget authority sufficient to cover the proposed purchase. A second approval provides assurance that the expenditure is appropriate for City purposes and complies with policy.

- Formal revisions to a contract must be processed in accordance with the *Schedule of Purchasing Authorities and Responsibilities* on page 7 of this policy.

- Any contract information requested from outside the City must be directed towards and reviewed by the City’s Freedom of Information Coordinator.

- Commitment authority with Purchasing Manager, where acquisition authorized through Council budget approval. The authority to commit City funds up to and including $50,000 outside of the budgeted amount is the Purchasing Manager by way of direction from the Department Head and the Director of Finance and Information Technology. If the amount is over $50,000 the authority to commit will be by the direction of CAO per Delegation of Authority Bylaw or otherwise by Council.

- Splitting purchases to avoid the single purchase transaction limit is not permitted.

- Dollar value of quote within this ceiling is inclusive of PST and not inclusive of GST.

- In order to provide transparency and meet the intent of the New West Partnership Trade Agreement (NWPTA), competitive bids will be advertised on BC Bid and the City’s website for opportunities in excess of $75,000.

CONTRACT AWARDS AND AMENDMENTS RELATED TO CAPITAL CONSTRUCTION PROJECT VARIANCES

The City identifies two types of capital expenditures; capital supply and capital construction. Capital supply is defined as acquisitions for goods or services that are needed for the operation of the City. Capital construction is defined as large value projects associated with the construction of new, and the improvements to existing City infrastructure. Capital construction contract amendments are described as any adjustments used to change the original contract. The need for an amendment may be the result of more negotiations, changes in the original requirement, or the need to deal with something unforeseen. Amendments are subject to agreement by both parties to the contract.

Where an award can be accommodated within the original capital construction project budget, the approval to proceed shall be by way of the Project Manager together with the Purchasing Manager. Where an amendment can be accommodated within the original capital construction project budget, the approval to proceed shall be by way of the Project Manager. Where the value of an amendment will exceed the capital construction project budget of an amount less than $100,000, approval to proceed shall be by way of the Department Director, subject to the identification of budgetary funds.

Capital construction awards and amendments for variances which are the greater of $100,000 or 10% of the project budget will be reported to and approved by Council or CAO (by delegation of authority) provided that any overages are offset by other foregone projects elsewhere within the Council-approved Capital Budget.

This approval may be provided retroactively if the commitment is due to unforeseen circumstances and is necessary for project completion.

Amendments with the appropriate purchasing authority will be made by purchase requisition and supported by documentation explaining the circumstances of the amendment. Adjustments to existing contracts and purchase orders will be made by the Purchasing Manager or authorized purchasing staff. Amendments will be made in a timely manner to avoid delays with progress payments.

Awards and amendments requiring Council approval will follow the standard report to Council process.

SCOPE CHANGES

During the course of a project additional work may arise that could not be anticipated during the project planning process. A contractor currently working for the City may be able to better respond to this related work as they have already posted insurance and performance guarantees meeting the City's requirements. Other potential bidders may not be able to obtain requisite insurance and bonding in a timely manner.

As a result:

a) Existing contractor/contractors may be asked for quotation and;

b) The lowest acceptable quotation may be used as a basis for a purchase requisition, which in turn may result in a new separate contract, purchase order or an adjustment to an existing contract or purchase order (Contract Amendments).

SOLE SOURCING

The Purchasing Manager and designated purchasing staff shall endeavor to competitively solicit for goods and services on a regular basis for goods and services in excess of $15,000. A competition may be waived and direct awarded in the following circumstances, but not limited to:

- To ensure compatibility with existing equipment, facilities or to maintain specialized products by the manufacturer or representative;
- Where staff have specialized training and / or extensive experience with a good or service provided by one vendor;
- Where there is an absence of competition and no acceptable alternative or substitute exists.
- For the purchase of used equipment or the purchase of goods through auction;
- Where it can be demonstrated the product or service is available only through one authorized manufacturer, distributor, dealer, or service provider;
- Item is purchased for testing or trial use;
- For matters involving high security and / or to protect the confidentiality of the City;
- Urgently required on an emergency basis (e.g. life/death, health, safety, critical equipment or facility breakdown);
- Where there is demonstrated value to continue consultant services into the next project phase (e.g. from design to construction);
- Where there is a change in scope on an existing project;
- Any other situation where it is clearly demonstrated that it would not be beneficial to the City to enter into a competitive process.

In circumstances where feasible, a notice of intent to direct award shall be posted electronically and if challenged, the City will determine if a competition is warranted.

Values and authority levels from Sole Source or Single Source Purchases as follows:

- Up to $75,000 Purchasing Manager;
- Over $75,000 up to $300,000 Chief Financial Officer;
- Over $300,000 up to $500,000 Chief Administrative Officer
- Over $500,000 City Council

The Purchasing Division will summarize all Sole / Single Source awards in excess of $50,000 for Council on a tri-annual basis.

All sole / single sourcing awards in excess of $15,000 will have at minimum 2 signatures accompanying the award. Signatures will include the initiating Department Head and either the Purchasing Manager, or the CAO depending on the value of the award and the thresholds noted above.

SPECIAL CATEGORY EXPENDITURES

Subject to all applicable City policies and procedures (including having budget funds available) a Purchase Order is not required for the following items:

General Expenses:

- Payroll deduction remittance
- Medical and dental expenses
- Licenses (vehicles, elevators, radios, etc.)
- Debt payments
- Grants to agencies
- Payments of damages
- Reimbursement from petty cash
- Petty cash replenishment
- Tax remittances
- Charges to or from other government bodies or crown corporations
- Real property payments including land, buildings, leasehold interests, easements, encroachments and licenses

Utilities:

- Postage
- Charges to other government bodies
- Hydro
- Gas
- Telephone
- Cable
- Communication charges including internet

Training and Education:

- Conferences
- Courses
- Conventions
- Memberships
- Seminars
- Periodicals, magazines, subscriptions
- Staff training, development, workshops

Refundable Employee Expenses:

- Advances
- Meal allowances
- Travel expenses
- Entertainment
- Miscellaneous non-travel
- Hotel accommodation
- Mileage allowance – vehicle

Professional and Special Services:

- Legal services including lawyers, investigators, adjusters, expert opinions, etc.
- Committee fees
- Witness fees
- Appraisers
- Legal settlements
- Claims adjuster’s fees

BONDING

In general, a bond is a three part contract, where a bonding company guarantees that the contractor will fulfill certain obligations to the City. The bonding company is without loss so long as the contractor fulfills his obligation to the City; however, if the contractor fails in his contractual commitments, the bonding company assumes this obligation.

The use of Bonding or Surety Bonds throughout the procurement process serves a number of functions:

* By requesting a bond the City is assured that the bidder has demonstrated some level of financial stability to the bonding company.
* By requesting a bond the City is obtaining a level of surety or assurance that the project will start and be completed in a timely manner and in accordance with the terms of the contract.

The use of bonding is critical to the City and must be used where project assurances are required. The City will adopt industry standard bonding practices for all construction projects. All other projects and contracts must be assessed on their own merit. Each type of bond provides coverage for its own area of risk as described below.

Bonds are generally considered to comprise of Bid Bonds, Performance Bonds and Labor and Material Bonds.

Bid Bonds

The Bid Bond guarantees that if the contract is awarded to a specific bidder, that bidder will accept the contract. If the bidder refuses, the extra costs to the owner of awarding the contract to the next highest bidder are borne by the bonding company, not the City.

The current industry standard for a bid bond is 10% of the amount bid. However, this percentage can vary depending on the complexity of the project and will be determined based on recommendations from the Project Manager.

Performance Bonds

The Performance Bond guarantees that the work will be completed on time and in accordance with contract specifications. If another supplier is required for rework or to complete the project, the Performance Bond will cover the City for these extra costs. The Performance Bond is 50% of the total contract price.

Labor and Material Bonds

A Labor and Material Bond provide additional assurances that those engaged by the City's contractor will be paid, thereby reducing the risk of liens against the project, liens which would arise in the event of a contractor defaulting on payment to its suppliers of either materials or labor. This bond is issued simultaneously with a Performance Bond for an amount equal to or less than the amount of the Performance Bond.

PROHIBITED ACTIVITIES

The Following Activities are prohibited:

(1) The division of contracts or purchases to avoid the requirements of this Policy.

(2) Committing the City without the appropriate authority to do so. Refer to the schedule of *Purchasing Authorities and Responsibilities* on page 7 of this policy.

(3) Purchase by the City of any goods or services for personal use by or on behalf of any member of Council, appointed officers, employees of the City or their immediate families.

(4) Purchase by the City from any member of Council, appointed officers, employees of the City or their immediate families or from any other source that would result in a conflict of interest. Refer to the City's *Code of Conduct Policy*.

(5) The purchase of any City goods by a member of Council, appointed officer, employee of the City or their immediate families.

RESPONSIBILITIES

DEPARTMENTS

Department Heads are responsible for their staff's understanding and compliance with the Procurement Policy.

All directors, general managers, managers and supervisors are responsible for:

1. Ensuring that all purchases are performed in accordance with this policy, unless the policy has been specifically waived by Council or a representative with authority to do so.
2. Delegating "Requisition Authority/Signing Authority" at appropriate levels to staff within their own Department. The Director of Finance and Information Technology will review the delegation of signing authority within each department for appropriateness in relation to budget responsibilities.
3. Ensuring that all paper & electronic Purchase Requisitions appropriately include:
   - Description of the materials and services requested
   - Budget availability
   - Appropriate general ledger account coding
   - Proper approval, including appropriate signatures
   - Proper competition in compliance with policy.

   For electronic purchase requisitions, all relevant information and approvals must be forwarded to Purchasing Services.
4. Conducting all business transactions in an ethical and professional manner.
5. Ensuring the purchasing staff are informed of, and involved in, all quotation, tender and proposal contract selection meetings as required by this policy.
6. Supplying purchasing staff with definitive specifications as to the desired function and quality, and such details and information as may be required in calling for quotations, tenders and proposals.
7. Ensuring that their programs and projects are managed responsibly.
8. Ensuring that all contractual requirements for their programs or projects are met.

RESPONSIBILITIES

PURCHASING DEPARTMENT

1. The purchasing staff as part of the Finance & Information Technology Department provides support to City staff and acts on behalf of the City as authorized by Council, and in accordance with the Procurement Policy.
2. Purchasing Services has the responsibility of determining the need for specific cooperative and inventory related requirements on behalf of the City. This responsibility in conjunction with user expertise extends to determining, the supplier, pricing, terms and conditions, issuing the contract or purchase order and following up for proper delivery.
3. Purchasing Services will be responsible for issuing RFQ's, RFP's, and Tenders when requested by a department or where no one department assumes sole ownership. Departments can be responsible for issuing approved documents and purchasing will retain responsibility for providing document numbering, process tracking and maintaining document files. When departments choose to issue their own documents they must inform Purchasing Services.
4. Purchasing Services will be invited to all contract selection meetings.
5. Other Purchasing Services responsibilities will include:
   - Commitment authority between $1.00 - $10,000,000.
   - Monitoring compliance with this policy.
   - Checking authorized requisitions.
   - Maintaining Purchase Orders and Agreements.
   - Maintaining records of business transactions as required.
   - Disposing of all assets as required, including surplus and scrap.
   - Conducting all Purchasing Services business transactions in an ethical and professional manner in accordance with the Supply Chain Management Association of Canada's Code of Ethics.
   - Providing qualified vendors the opportunity to receive requests for information, quotations, tenders and proposals.
   - Analyzing bids with end users.
   - Writing and issuing the contractual agreement i.e. purchase order, blanket order, letter of award for contracts.
   - Review of - WCB clearances.
   - Review of - insurance requirements.
   - Analyzing spend data to identify best value opportunities where possible.

Police Service

The New Westminster Police Service is regulated under the Police Act. As such, purchases out of the Police Service's operating budget, approved by the Police Board, will comply with the intent of this policy. However, where the Policy refers to "Local Government Act", "City", "Council", "Department Director / General Manager, Electric Utilities Commission" and " Department", the Police Service substitutes "Police Act", "New Westminster Police Service", "Police Board", "Chief Constable" and "Division", respectively. Except for purchases of operational police equipment (excluding vehicles), for capital purchases or purchases affecting the City's reserves and provisions, the Police Service will comply with the guidelines set out in this policy in every respect.

Special Investigations and Special Projects

Special investigations and projects are those undertaken by the Police Service that have a high level of security due to the nature of the work (i.e. undercover operations, witness protection program). Goods and services required for special investigations and projects may be exempt from the provisions of the Procurement Policy on the authority of the Chief Constable. However, these purchases must be accountable under the Police Service's policies dealing with special investigations and projects.

New Westminster Public Library

The New Westminster Public Library is regulated under the Library Act. As such purchases out of the Library's operating budget and purchases of operational equipment out of the capital budget, approved by the Library Board, should comply with the intent of this Policy. However, where the Policy refers to "Local Government Act", "City", "Council", "Department Head", the Library substitutes "Library Act", "New Westminster Public Library", "Library Board", and "City Librarian".

For capital purchases (including vehicle purchases and capital vehicle leases, but excluding operational equipment) or purchases affecting the City's reserves and provisions, the Library will comply with the guidelines set out in this policy.

APPROVAL HISTORY

APPROVED BY: Mayor & Council	**DATE: Nov. 18, 2013**