

TOWN OF BANCROFT PURCHASING PROCEDURE

Purpose:

To provide the basic minimum requirements to ensure that quotations are obtained, competitive shopping is adhered to, Health and Safety issues are considered, and to continue to ensure that the Town obtains the best value, goods and services at the least cost.

Responsibilities:

The Department Heads are responsible for ensuring that the purchasing requirements are adhered to and that vendors are given fair opportunity to quote on Town of Bancroft requirements.

Prior to issuing a purchase order, the Department Head shall ensure:

1. that the goods or services are needed.
2. that all Health and Safety considerations are addressed.
3. that the goods or services proposed meet the needs of the department.
4. that sufficient funds have been budgeted and are available.
5. that all necessary approvals have been obtained.

The purchasing level requirements contained herein may be varied at the discretion of Municipal Council for individual purchases.

Principles:

To purchase and supply at the right time and in the most economical manner, the supplies, equipment and services to meet specific Town departmental requirements.

Mandatory Requirements:

Purchasing will generally be conducted by the Treasury Department. However, speciality items for some departments may be purchased directly by the Department, provided these procedures are followed:

Mandatory Requirements: cont'd

Purchases Up To \$200.00 In Value:

Those Departments with an approved petty cash float are permitted to purchase individual items up to a maximum value of \$200.00 without using a formal purchase order.

Purchases Up To \$3,000 In Value:

A Department Head may authorize purchases up to \$3,000 in value upon receiving one verbal quotation and issuing a formal purchase order, provided sufficient funds are available within their budget.

Purchases Up To \$10,000.00 In Value:

The C.A.O./Clerk, Treasurer, or a Department Head may authorize purchases up to \$10,000.00 in value upon receipt of three written quotations and issuing a formal purchase order, provided that sufficient funds have been budgeted and are available. In the case of equipment repairs this limit is extended to \$15,000.00. Purchases over \$3,000. made under this section must be reported to the appropriate Municipal Council .

Purchases In Excess Of \$10,000.00 In Value:

Except as previously noted or authorized by Municipal Council purchases in excess of \$10,000.00 in value will be made following receipt and approval of sealed tenders or formal Request For Proposals (RFP). When tendering or requesting formal proposals the Town's Tendering Procedure will be followed.

Control:

Documentation must satisfy audit requirements.

Purchase orders shall be used to confirm all orders for goods or services, except as herein exempted or in those cases where a formal contract is to be executed by the Town and the supplier.

All contracts shall be signed by the Mayor and the C.A.O./Clerk or his designate.

Emergency Purchases:

Notwithstanding any of the provisions of the procedures should an emergency occur which in the opinion of the Department Head constitutes imminent danger to life, limb, property or the interruption of an essential service, material and/or services as may be required to remedy the emergency may be purchased immediately without strict adherence to these procedures. Purchases made under this section should be reported immediately to the C.A.O./Clerk and the action ratified at the next appropriate at the next Municipal Council Meeting.

Adopted: By-Law No. 51-2004
Date: December 14, 2004