

# Procurement Policy

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Date Approved by Council: January 23, 2017

Resolution: 2017-01-23-16

Review Date: July (Annually)

Related Bylaws: N/A

Amendments:

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## **Purpose**

The purpose of this policy is to provide guidelines for obtaining the right goods and/or services when needed while achieving the best value through a transparent, fair and competitive process with a focus on customer service,

## **General Guidelines**

This policy applies to staff, Council, Committees and any other person authorized to make or take part in purchasing decisions for the Village of Hussar.

All individuals having responsibility for purchasing activities are expected to adopt an aggressive negotiation process.

All individuals must conduct themselves in a professional and ethical manner when procuring all goods and services with openness and transparency. This includes avoiding any apparent or actual conflict of interest when making decisions.

Individuals must not release, to any potential supplier of goods or services, any information that is not intended to be made available to all potential suppliers.

All contracts, including single purchase or multi-year contracts, must be approved by Council resolution prior to any purchase being made under the contract.

All purchases must be approved as part of the annual Budget or be approved by Council resolution.

## **Procurement up to \$1,000**

Purchases of less than \$1,000 do not require Council approval, provided that there is funding under the approved annual Budget.

Purchases of less than \$1,000 do not require Request for Quotations (RFQ), Requests for Proposal (RFP) or Request for Tender (RFT). Obtaining competitive quotes is considered a good business practice and should be obtained when possible but single or sole sourcing is permitted.

**Informal Quotation Procurement (\$1,000 to \$5,000)**

Purchases of more than \$1,000 but less than \$5,000 do not require Council approval, provided that there is funding under the approved annual Budget.

An informal quotation process shall be used wherein a minimum of two verbal quotations are received; no RFQ, RFP or RFT is required.

**Semi-Formal Quotation Procurement (\$5,000 to \$75,000)**

Purchases greater than \$5,000 but less than \$75,000 require Council approval by resolution.

A semi-formal quotation process shall be used where a minimum of three written quotations are received; no RFQ, RFP or RFT is required but may be utilized if desired.

**Formal Quotation Procurement (Greater than \$75,000)**

Purchases greater than \$75,000 require a formal procurement process as per the New West Partnership Agreement. All procurement processes must include a formal RFQ, RFP or RFT and must be advertised on the Alberta Purchasing Connection.

Council must approve the accepted quote, proposal or tender by resolution, and may choose to enter into a formal contract regarding the quote, proposal or tender accepted.

**Acceptance of a Quote, Proposal or Tender**

The Village of Hussar is not required to accept the lowest quote, proposal or tender regardless of the procurement process utilized.

The Village of Hussar will endeavour to ensure that local contractors are contacted as part of any procurement process. However, local contractors will not receive special preference in the acceptance of a quote, proposal or tender.