

Section	Governance and Administration	Section #:	1
Sub-Section:	Finances	Sub-Section #:	1.4
Topic	Purchasing	Policy #:	1.4.4

Policy

Whereas the Municipal Act, 2001, Part VI, Section 271, as amended states that a local board shall adopt policies with respect to its procurement of goods and services, this policy of the Smith-Ennismore-Lakefield Library Board shall apply.

This policy sets out guidelines for the Library Board to ensure that all purchases of goods and services provide the best value for the Township ratepayers. All things being equal, and having regard for the guidance of this policy, “best value” may be described as receiving the required quality and service at the lowest cost.

This policy shall provide guidance for an open and honest procurement program, with transparency as a cornerstone of the decision making process.

This policy shall provide a purchasing environment that is fair and impartial.

This policy shall promote and maintain the integrity of the purchasing process and protect the Library Board, staff and vendors involved in the process by providing clear direction and accountabilities.

A competitive bidding process is the preferred method of purchasing and as such the Coordinating Librarian and Branch Librarians are encouraged to seek out new sources of supply, readily provide purchasing information to vendors in a cooperative manner and ensure that all mechanisms for purchasing contain clear and full disclosure of requirements.

Procedure

1. Definitions

1.1 For the purposes of this policy,

“Bid” shall mean a submission, under any of the prescribed purchasing mechanisms, from a prospective vendor in response to a request for the purchase of goods or services issued by the Library Board.

“Branch Librarian” shall mean a librarian employed at any branch within the Smith-Ennismore-Lakefield Public Library Service.

“CEO/Treasurer” shall mean the Chief Executive Officer/Treasurer for the Library Board.

“Committee” shall mean the Evaluation Committee used to evaluate RFP submissions and established from time to time by the Board based on the recommendation of the CEO/Treasurer.

“Library Board” shall mean the Township of Smith-Ennismore-Lakefield Public Library Board.

“Coordinating Librarian ” shall mean the coordinator of the Smith-Ennismore-Lakefield library services department, and, for the purposes of this policy, shall include the CEO/Treasurer where applicable.

“Emergency Purchase” shall mean a purchase made in a crisis situation where immediate action is required to prevent the possible loss of life, property or minimize a negative impact on library operations.

“Goods” shall mean supplies, wares, merchandise, material and equipment.

“Purchasing Designate” shall mean a person designated by a Coordinating Librarian to exercise any or all responsibilities of the Coordinating Librarian with respect to this policy.

“Quotation” shall mean a competitive bid process for goods or services that is conveyed and received from bidders in a written format by e-mail, mail or fax.

“RFP” shall mean a Request for Proposal document that sets out general specifications for the goods or service required, when goods or services cannot be specifically stipulated or when alternative methods are being sought to perform certain functions or services.

“Sealed bids” are bids submitted in a sealed envelope to a specified location, by a specified date.

“Services” shall mean items such as telephone, gas, water, hydro, janitorial and cleaning services, consultant services, legal surveys, medical and related services, insurance, leases for grounds, buildings, office or other space required by the Library Board and the rental, repair or maintenance of equipment, machinery, or other personal and real property.

“Tender” means a document that sets out particular specifications for the goods or service required. This can also refer to an offer in writing to execute some specified work or to provide some specified articles at a specified rate.

“The Corporation of the Township of Smith-Ennismore-Lakefield” herein is also referred to as the “Township”.

“Vendor” shall mean any person or enterprise supplying goods or services to the Smith-Ennismore-Lakefield Public Library Board.

2. Purchasing Responsibilities

2.1 Expenditure Authorization

Smith-Ennismore-Lakefield Public Library Board has ultimate authority and accountability for all expenditures. The Library Board delegates this authority by the

authorization of budgets or by specific resolution. This purchasing policy outlines how spending authority is to be used.

2.2 Coordinating Librarian Authorization and Responsibilities

1. The Coordinating Librarian shall be responsible for approval of accounts within the approved budget for the Library department, or any amendment to same, as approved by the Library Board.

2. Reports to the Library Board by Coordinating Librarian that recommend budget amendments, capital expenditures or special appropriations shall contain purpose of expenditure, cost estimates or expenditure limitation, and the fund in which an appropriation has been provided. All reports recommending such matters shall also require endorsement by the CEO/Treasurer.

2.3 Purchasing Designate

The Coordinating Librarian, with approval of the CEO/Treasurer, may appoint a Purchasing Designate to exercise any or all responsibilities assigned to that Coordinating Librarian by this policy.

3.0 Purchasing Mechanisms

In determining which purchasing mechanism is the most appropriate, the Coordinating Librarian shall have regard for the goals as outlined in the policy section, the purchasing responsibilities as outlined in section 2 and the dollar thresholds as stated in section 3. The efficient utilization of these mechanisms shall ensure that the ratepayers of the Township receive best value for their tax dollars.

3.1 Small Order Purchases

1. Notwithstanding section 2.3, Branch Librarians shall be expressly authorized to make Small Order Purchases of goods and services up to an amount of \$250.00 from such vendor and upon such terms and conditions as the Branch Librarian deems appropriate.

2. The Coordinating Librarian shall be authorized to make Small Order Purchases of goods and services up to an amount of \$2,500.00 from such vendor and upon such terms and conditions as the Coordinating Librarian deems appropriate.

2. Quotation Purchases

2.1. The Coordinating Librarian shall be authorized to make purchases of goods and services for estimated expenditures exceeding \$2,500.00 and less than \$5,000.00 from such vendor and upon such terms and conditions as the Coordinating Librarian deems appropriate subject to first obtaining at least three (3) written quotations whenever possible.

2.2. Notwithstanding 3.2.1, when the preferred quotation exceeds the approved budget or exceeds \$5,000, the Coordinating Librarian shall obtain the approval of the CEO/Treasurer.

2.3. At the discretion of the CEO/Treasurer, any quotations may be referred to Library Board for disposition. In this event, the respective Coordinating Librarian shall prepare a recommendation in writing for the Library Board to deal with the quotations at a Library Board meeting.

2.4. The Coordinating Librarian shall be authorized to request quotations of goods and services for estimated expenditures exceeding \$5,000.00 and less than \$15,000.00 from such vendor and upon such terms and conditions as the Coordinating Librarian deems appropriate. The Coordinating librarian shall strive to obtain at least three (3) written quotations whenever possible.

2.5. With respect to those quotations requested under section 3.2.4, upon receipt the Coordinating Librarian shall prepare a recommendation in writing for the Library Board to deal with the quotations at a Library Board meeting.

3.3 Tender Purchases

1. The Coordinating Librarian shall not order goods or services exceeding \$15,000.00 without requesting and obtaining sealed tenders for the goods and services. At least three (3) bids shall be obtained whenever possible.

2. A tender bid document shall be developed by the Coordinating Librarian, with support and input from the CEO/Treasurer. In the preparation of a tender, the Coordinating Librarian shall ensure that, as a minimum, the bid document includes the following six sections:

- (i) instruction to bidders
- (ii) specifications of the goods and services
- (iii) terms and conditions
- (iv) prescribed format for the schedule of items and prices
- (v) references
- (vi) an authorized signature that binds the bidder to the terms of the bid document.

3. Administrative details concerning the processing of sealed tenders are included under section 6 of this policy.

4. After the opening of the tenders, the CEO/Treasurer shall review and check each tender making sure it meets the tender specifications.

5. The CEO/Treasurer, in consultation with the Coordinating Librarian, shall prepare a tender summary report of the tenders received, including the names of all those submitting a tender and the tender amounts and security/deposit amounts (if applicable) and a recommendation in writing for the Library Board to deal with the tenders received at a Library Board meeting.

6. Notwithstanding Section 3.3.4 & 3.3.5, where tenders are co-ordinated by the Municipal Engineer or Consultant for a designated project, the engineer or consultant shall prepare a recommendation in writing for the CEO/Treasurer for the Library Board to deal with the tenders received at a Library Board meeting.

7. The Library Board shall make the final determination as to the awarding of all tenders. The lowest tender, or any tender, not necessarily accepted.

3.4 Requests for Proposals

1. The Coordinating Librarian may use a Request for Proposal in place of a tender or quotation when goods or services cannot be specifically stipulated or when alternative methods are being sought to perform certain functions or services. At least three (3) bids shall be obtained whenever possible.

2. A RFP bid document shall be developed by the Coordinating Librarian, with support and input from the CEO/Treasurer. In the preparation of a RFP the Coordinating Librarian shall ensure that, as a minimum, the bid document includes the following eight sections:

- (i) instruction to bidders
- (ii) specifications of the goods and services
- (iii) terms and conditions
- (iv) prescribed format for the evaluation criteria
- (v) prescribed format for the scoring matrix
- (vi) prescribed format for the schedule of items and prices
- (vii) references
- (viii) an authorized signature that binds the bidder to the terms of the bid document.

3. Administrative details concerning the processing of sealed RFPs are included under section 6 of this policy.

4. After the opening of the RFPs, members of the Evaluation Committee shall review the documentation individually and score all RFP's using the prescribed scoring matrix. The Committee shall then be convened to review and discuss all scores. The Committee shall determine a common score and a final scoring matrix for presentation to the Library Board.

5. The CEO/Treasurer, in consultation with the Coordinating Librarian, shall prepare a RFP summary report of the RFPs received, including the names of all those submitting a RFP and the common scoring matrix as developed by the Committee for presentation to the Library Board at a Library Board meeting.

6. The Library Board shall make the final determination as to the awarding of all RFPs. The highest scored RFO, or any RFP, not necessarily accepted.

3.5 Exclusions

1. While having regard for the goals of this policy, the Coordinating Librarian and CEO/Treasurer are encouraged to consider the skills of Township staff and

breadth of Township equipment and seek out in-house bids where applicable. In this manner, the Coordinating Librarian shall request an in-house bid and the respective Department Manager shall prepare a written budget outlining all direct costs. The Coordinating Librarian and CEO/Treasurer shall review the budget and have regard for:

- (i) cost
- (ii) department workload
- (iii) timeliness of project completion;

and upon completion of the review determine whether the in-house bid is appropriate to achieving the goal of best value for the Township ratepayers.

2. In addition, adherence to this purchasing policy is not required with respect to those items listed below:

- (i) Purchases for consulting services for a program where services have been awarded to a consulting firm on an on-going basis and when clearly identified in the budget.
- (ii) Purchase of replacement parts where the original equipment manufacturer (OEM) is the sole provider of that equipment.
- (iii) Single source supply.
- (iv) Any transaction specifically authorized by resolution of the Library Board to be exempt from this purchasing policy.

4.0 Emergency Purchases

The Coordinating Librarian shall be authorized to make emergency purchases in excess of \$2,500.00 upon the approval of the CEO/Treasurer. The Coordinating Librarian shall, as soon as practical, notify the Board Chair and present a written report to the Library Board at its next meeting providing sufficient details on the purchase, emergency involved, and impact on approved departmental budget.

5.0 Communications

1. All bid documents, and their respective advertisement of invitation, shall state the date, time and place of bid opening.
2. The Library web site shall include a section dedicated to Purchasing. This section shall include a copy of current purchasing policy. All notices for tenders and RFPs shall be posted on the site.
3. Any other persons desiring to be present at the opening of tenders and RFPs may attend.

6.0 Administration

1. All tenders and RFPs shall be received at the Township of Smith-Ennismore-Lakefield Municipal Office, 1310 Centre Line, R.R. #4 Peterborough, Ontario for recording of date and time received and safekeeping pending the opening of same.
2. All tenders and RFPs shall close at 12 noon on the day specified in the advertisement.

3. Within three (3) hours of the closing all tenders and RFPs shall be opened publicly and the names of those submitting and the amounts shall be disclosed at the time of opening.
4. Tenders and RFPs shall be opened in the presence of the Coordinating Librarian and the CEO/Treasurer and any other person deemed necessary.
5. No contract or purchase shall be divided to avoid the requirements of this policy.
6. Vendor contact with Library Board members is prohibited and can be considered as grounds for disqualification from the selection process.
7. The Library Board may participate with other units of government, their agencies or public authorities in co-operative purchase ventures when the best interest of the Library Board will be served.

7.0 Financial Services

1. All invoices or accounts from vendors shall be forwarded to the Township Finance Department only after they have been properly marked as received by the respective Branch Librarian, properly coded to the correct general ledger account and approved by the Coordinating Librarian.
2. Prior to the adoption of the annual estimates, the services provided shall continue at the level carried out the previous year. The Coordinating Librarian is authorized to incur expenses, and the CEO/Treasurer is authorized to pay the accounts, of such ordinary business transactions.
3. Prior to the adoption of the annual estimates, specific Library Board authorization is required for the hiring of additional employees, expenditures for special projects, capital purchases over \$5,000.00, consultant fees, land purchases and/or new services.
4. After the adoption of estimates, the CEO/Treasurer is authorized to pay the accounts approved by the Coordinating Librarian.

8.0 Purchasing Policy Improvements

In order to ensure that Library Board and staff are familiar with this policy and that the policy reflects best practices, it shall be reviewed in the first year of each Library Board term. The review shall be coordinated by the CEO/Treasurer and shall include an initial review by the Coordinating Librarian and Branch Librarians, suggestion of any proposed amendments or additions, and a report by the CEO/Treasurer with recommendation to the Library Board.