

Report FR-CS-11-14

To: Chair Pringle and Members of the Corporate Services Committee
From: Mike Alguire, C.S.C.M.P Purchasing and Materials Manager
Meeting Date: February 11, 2014
Subject: **Update to the Purchasing Policy and Procedures**
Status: Recommendation adopted by Committee as presented per Resolution CS23-14 February 11, 2014; Adopted by County Council per Resolution CC34-14 March 4, 2014;

Recommendation(s)

WHEREAS the Municipal Act 2001, S.O., Section 270 requires all municipalities and local boards to establish and maintain a policy concerning the procurement of goods and services;

AND WHEREAS the Corporation of the County of Grey is committed to ensuring the County's procurements are fair, open and transparent;

NOW THEREFORE BE IT RESOLVED that Report FR-CS-11-14 be received;

AND THAT the updated purchasing policy, A-FIN-001, and the purchasing procedures, A-FIN-001-001 be adopted as presented to replace the current Purchasing Policy and Procedures (ADM-03-10);

AND FURTHER THAT the current procurement By-Law 4697-10 be rescinded;

AND FURTHER THAT the appropriate By-Law be drafted for County Council's consideration.

Background

The County's purchasing policies and procedures were last updated in November of 2010. Prior to that, the last time the purchasing policy and procedures were updated was in 1993. Over the course of the last three years, county staff has familiarized themselves with the procedures; and have relied heavily on purchasing staff to generate and facilitate hundreds of procurement documents.

Update

Generated through continuous feedback from staff and members of the Senior Management Team, the suggested updates will improve the purchasing process and increase the level of budget accountability of staff.

Some highlighted changes to the existing policy:

- 1) Direct purchase amount changes from \$2500 to \$5000.
- 2) Elimination of informal RFQ. Purchasing will take on all RFQ's between \$5,000 and \$25,000.
- 3) Contracts up to \$250,000, where the project is in the approved budget, can be awarded by the appropriate Director. This upper limit for Directors is currently \$100,000.
- 4) All contracts over \$250,000 will need to go committee/council.
- 5) All contracts that have been awarded by Directors between \$25,000 and \$250,000 will be reported in a quarterly committee report. This is currently reported between \$25,000 and \$100,000.
- 6) Additional procedure added for scope changes after the project is awarded. There is additional reporting to the Director of Finance and/or committee/council depending on the amount that the awarded amount has changed.

Financial / Staffing / Legal / Information Technology Considerations

There are no impacts from a financial, legal or IT standpoint with this revised procedure.

Link to Strategic Goals / Priorities

To ensure that Council's goals of financial sustainability and public accountability are maintained.

Attachments

[Attachment to FR-CS-11-14 Purchasing Policy](#)

[Attachment to FR-CS-11-14 Purchasing Procedures](#)

Respectfully submitted by,

Mike Alguire
Purchasing and Materials Manager

Director Sign Off: *Kevin Weppler*