



SMOKY LAKE COUNTY

Title: Purchasing Guidelines	Policy No.: 16-01
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Legislation Reference:	Municipal Government Act, Section 248.
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Purpose:	To define the levels of responsibility, accountability, and procedures which govern purchasing activity within Smoky Lake County.
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Policy Statement and Guidelines:	
1. STATEMENT:	
1.1	Management and staff of Smoky Lake County are accountable for the purchase of goods and services according to the guidelines provided in the annual operating and capital budgets.
1.2	All employees will obtain appropriate authorization and use appropriate processes when purchasing goods or services.
2. GUIDELINES:	
	Employees are responsible for:
2.1	Maintaining high legal, ethical, managerial, and professional standards in the management of the resources entrusted to them.
2.2	Obtaining the best value for money by achieving fulfillment of specified needs including quality, health and safety standards, productivity and service life.
2.3	Using a fair and transparent purchasing process.
2.4	Meeting legal and ethical obligations in the acquisition of goods and services.
2.5	Securing expense authorization prior to any purchase.
2.6	Identifying and investigating a full range of potential goods or service providers before making a commitment.

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3. PROCESS:

3.1 Budget Approval:

It shall be the responsibility of the Department Managers to ensure that funds have been provided in the Budget for the proposed expenditures, and that the purchase will not result in an unapproved over-expenditure of any budget account.

3.2 Petty Cash:

Purchases may be made through the use of petty cash without the issuance of a purchase order. Such expenditures shall be kept to a minimum and shall be used in instances where other means of purchasing are not available. All Petty Cash receipts shall be signed by the duly authorized Department Manager.

3.3 Purchase Orders

Purchase orders will be used for all purchases which exceed \$20.00.

Exceptions to Purchase Orders:

- Utility Services such as electricity, gas, water, sewage and waste collection.
- Recurring rental or lease payments supported by Council approved contracts.
- Credit Card purchases, in accordance with **Policy Statement No.: 08-07: County Credit Card.**
- Departmentally approved re-occurring expenses, i.e., subscriptions, etc.
- Other specific exemptions granted to a Department Manager by the Chief Administrative Officer.

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3.4 Quotations:

3.4.1 The quotation process shall be used when the goods and services exceeds \$500.00 but less than \$75,000.00, as per **Schedule "A": Quotation Record.**

3.4.1.1 For purchases with values between \$500.00 and \$1,000.00, quotes are required. They may be obtained verbally, however a record of the quotes received should be maintained by each department.

3.4.1.2 Written quotations from vendors are required for purchases over \$1,000.00.

3.4.2 Goods and Services expenditures that exceed \$75,000.00 and Construction services that exceed \$200,000.00; Public Procurement Process that utilizes advertising (such as newsletter or Alberta Purchasing Connection) shall be used.

3.4.3 For purchases with a value less than \$500.00 quotes are not required. They should be obtained where deemed appropriate.

3.5 Tenders / Requests for Proposals:

Tenders or Requests for Proposals shall be called for in the following instances:

3.5.1 Construction Projects with a value greater than \$200,000.00.

3.5.2 Capital Purchases with a value greater than \$75,000.00.

3.5.3 Contracting Services with a value greater than \$75,000.00.

3.5.4 Annual Supply Contracts with a value greater than \$75,000.00.

3.5.5 Equipment Leases or Rentals with a value greater than \$75,000.00.

3.5.6 When the Chief Administrative Officer deems it to be in the best interest of the County.

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3.5.7 All Tenders or Requests for Proposals will be awarded through Council resolution.

3.5.7.1 Council shall reserve the right to reject any or all Tenders or Requests for Proposals.

3.5.7.2 Council shall reserve the right to accept any Tender or Request for Proposal deemed most favorable to Smoky Lake County.

3.5.7.3 All Tenders or Request for Proposals shall clearly state the relevant factors that will be used for evaluation.

3.5.8 All Tenders or Request for Proposals shall be subject to public opening. The time, location and conditions of the public opening shall be made known in the competition documentation.

3.5.8.1 Only the name of the supplier and the total cost or price in the submission will be released at the time of opening. All details of all submissions are to remain confidential prior to award.

3.5.8.2 The Tender or Request for Proposal will not necessarily be awarded at the public opening and all submissions will be subject to further review and analysis.

3.6 Expressions of Interest

3.6.1 Requests for Expressions of Interest, or other such public procurement mechanisms, such as those listed on Alberta Purchasing Connection website may be used as an alternative to the tender process at Council's discretion.

3.6.2 These methods provide the vendor with an opportunity to bid on work or service using unique skills or innovative processes. Specifications are general in nature. The selection of the successful supplier is based on the county evaluation of the proposal and the supplier's ability to complete the project or provide the service.

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4. PURCHASING AUTHORITY:

4.1 Employees have the authority to purchase **Goods and Services** within the limits and restrictions listed.

Amount	Authorized	Restrictions
0 - \$500.00	Department Staff	Minor one time supply and local purchases of items that are required immediately for operations.
\$501.00 - \$10,000.00	Department Manager	Operational or Capital Items included and approved in the current budget.
\$10,001.00 - \$75,000.00	CAO or Assistant CAO	Operational or Capital Items included and approved in the current budget.
\$75,000.00 +	Council <i>Motion required</i>	Operational or Capital Items included and approved in the current budget.

4.2 Employees have the authority to **Contract Construction** within the limits and restrictions listed.

Amount	Authorized	Restrictions
\$0 – \$10,000.00	Department Manager	Operational or Capital Items included and approved in the current budget.
\$10,001.00 - \$200,000.00	CAO or Assistant CAO	Operational or Capital Items included and approved in the current budget.
\$200,000.00 +	Council <i>Motion required</i>	Operational or Capital Items included and approved in the current budget.

	Date	Resolution Number
Approved	March 29, 2012	# 387-12 - Page # 10004
Amended		
Amended		



QUOTATION RECORD

SCHEDULE "A"

Smoky Lake County

Box 310 - 4612 McDougall Drive

Smoky Lake, Alberta T0A 3C0

Phone Number: 780-656-3730

Fax: 780-656-3768

E-Mail: county@smokylakecounty.ab.ca

Quotation Number: _____

Item (s) to be Purchased:

Submissions Received (Name of Company)	Quote – Amount

Name of Company and amount of successful submission:

_____ Amount: _____

Reason Submission was successful:

SIGNATURE: _____

DATE: _____