

# **Augusta Township Public Library**

## **Purchasing Policy**

Amended June 18, 2019

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## **Definitions and Introduction**

Throughout this policy, “the Board” shall mean the Augusta Township Public Library Board; “the Library” shall mean the Augusta Township Public Library; “CEO” shall mean the Chief Executive Officer of the Augusta Township Public Library; and “Treasurer” shall mean the Treasurer of the Augusta Township Public Library Board.

**When a purchase of goods and/or services is contemplated, the procedures and methods set out herein shall be followed:**

### **I. General**

1. The CEO or designate shall be satisfied that the goods and/or services to be purchased are authorized in the approved current budget.
2. Prior to the approval of the current budget, the CEO or designate may incur normal operating expenditures.
3. Purchases of non-budgeted goods or services **must** be approved by a Library Board resolution, however, there may be certain circumstances that may require goods or services to be purchased prior to a meeting of the Board and then the following will be considered to be approved: If the CEO, or designate contacts the Board by telephone and a majority of the Board approve the purchase verbally then the purchase can be made with a resolution to be passed at the next immediate meeting of the Board.
4. Contracts for twenty-five thousand dollars (\$25,000.00) or more or the purchase of goods or services the amount of which is included in the approved current budget and due to the nature of the goods or services to be provided would not be subject to the provisions of the normal tendering procedures (Article II Tendering Process) shall require approval of the Board.
5. The following processes shall be acceptable processes under this policy: Request for Tender as described in Article II, Request for Quote as described in Article III, Oral Quotations as described in Article IV, Request for Proposal as described in Article V and Emergency situations as described in Article VI.
6. There are exemptions from this procurement policy and those are listed as Appendix “A” to this policy.
7. Bid Irregularities shall be listed on Appendix “B” attached hereto.

8. The procurement process shall require reasonable effort to be made to determine the availability of a particular good or service from suppliers within the Township of Augusta.
9. From time to time staff may make a purchase for the Library for general supplies. Those purchases are authorized and, a request for reimbursement will be submitted along with the corresponding receipt. The Request for Reimbursement is attached to this policy as Appendix "D"

## **II. Request for Tender**

Formal tendering practices shall apply for the purchase of all goods and services where the estimated value is or will exceed the amount of twenty-five thousand dollars (\$25,000.00).

When the estimated value of the goods and services to be purchased will exceed twenty-five thousand dollars (\$25,000.00), advertisements of the tenders shall be placed in a local newspaper(s).

If the tender was one where the expertise lies with a select few suppliers OR when it is impractical to call for tender then, request tender by invitation only may be tendered and, a list of those invited shall be kept by the CEO for a period of eighteen (18) months notwithstanding any other Provincial legislation or Municipal By-Law.

Bidders may be required to identify the local and non-local content of labour and materials in the tender.

All tenders, whether by advertisement or invitation shall be opened at a predetermined time and place in the presence of the CEO and a majority of the Library Board.

The Library Board is under no obligation to accept the lowest or any tender. The Board may, at its discretion, reject all tenders.

A written report to the Library Board from the CEO shall be presented at the next regular meeting of the Board.

## **III. Request for Quote**

Where the estimated value of the goods and services to be purchased is five thousand dollars (\$5,000.00) or more but less than twenty-five thousand dollars (\$25,000.00), written quotations shall be requested. Such requested quotations may be attached to an email. Under five thousand dollars (\$5,000.000) verbal quotations may be accepted with email confirmation.

Where the written quotations from at least three suppliers cannot be reasonably obtained, the CEO or designate shall keep a record of such circumstance.

Written quotations shall be opened at a predetermined time and place, in the presence of the CEO or designate requesting the written quotation.

A written report to the Library Board with recommendations shall be presented at the next regular meeting of the Board with regards to the Request for Quote.

The Library Board is under no obligation to accept the lowest or any quote. The Board may, at its discretion, reject all quotes.

#### **IV. Oral Quotations**

Where the estimated value of goods and services to purchase is more than five hundred dollars (\$500.00) but less than one thousand dollars (\$1,000.00) oral quotations shall be required .

When this method of purchasing is used, every effort shall be made to obtain at least three (3) oral quotations.

A record shall be kept by the CEO or designate of all discussions pertaining to the oral quotations for a period of eighteen (18) months notwithstanding any other Provincial legislation or Municipal By-Law.

The CEO may wish to obtain written confirmations of oral quotes for future reference.

Comparison pricing and purchasing, if practical, will be done where random purchases of goods and services with an estimated value of less than five hundred (\$500.00) is contemplated.

The Library Board is under no obligation to accept the lowest or any oral quotes. The Board may, at its discretion, reject all oral quotes.

#### **V. Request for Proposal**

This method of purchasing shall be used only where the expertise for developing proper specifications lies in the hands of the supplier, or where additional information is required and it is impractical to call tenders.

When this method of purchasing is used, a minimum of three (3) suppliers, where possible, shall be given a written outline of the objective, purpose and need of the goods and services required.

Where the estimated value of the goods and services to be purchased is/will be greater than twenty-five thousand (\$25,000.00), the Library Board MAY advertise for proposals in a local newspaper(s) OR MAY request proposals by invitations only.

Written proposals shall be opened at a predetermined time and location, in the presence of the CEO or designate, and a majority of the Library Board

The Library Board is under no obligation to accept the lowest or any request for proposal. The Board may, at its discretion, reject all requested proposal(s).

## **VI. Emergency Method of Procurement**

Notwithstanding the provisions of this policy, the following shall only apply in case of an emergency, when an event occurs that is determined to be:

- a threat to public health
- the maintenance of essential library services
- the welfare of persons or of public property or
- the security of the library's interests and the occurrence requires the immediate delivery of goods or services and time does not permit for competitive bids

The CEO shall immediately file a report with the Library Board outlining the circumstances leading to the emergency acquisition. Prior to the purchase, every effort shall be made to notify the Library Board of the purchase.

## **VII. Disposal of Surplus Goods**

The CEO shall obtain the approval of the Library Board for the disposal and/or sale of surplus assets.

## **VIII. Conflict of Interest**

All consultants (eg: architects, engineers, etc.) retained by the Library shall disclose to the Library Board prior to accepting an assignment, any potential conflict of interest. If such a conflict of interest does exist, the Board as directed by the CEO may, at its discretion, withhold the assignment from the consultant until the matter is resolved. And furthermore, if during the conduct of a Library assignment, a consultant is retained by another client giving rise to a potential conflict of interest, then the consultant shall so inform the Library Board.

## **IX. Procurement Card Policy**

### **Using Procurement Cards**

1. Procurement Cards will be distributed to the CEO who is responsible for making purchases on behalf of the Township of Augusta Public Library.
2. The Cards (Credit card ending in xxxx xxxx xxxx 7957) (Debit Card ending in xxx xx xxxxxxxx 79) are designed to be used for purchases of goods or services not covered under some other form of purchasing agreement.
3. There is a limit per transaction and monthly credit limit for the cardholder.
4. The liability for charges on the Procurement Cards rests with the Library Board.
5. The Library Board is not liable for any unauthorized use of the Procurement Card which occurs after notification of loss, theft or cancellation has been received by the card issuer.
6. The Library Board will pay both taxes on all invoices but will continue to receive the GST rebates or input tax credits in the normal manner.

### **Application Procedure**

1. The applicant requesting the card must complete an Employee Acknowledgement that shall become Appendix "C" to this policy.
2. The Employee Acknowledgement shall be placed on file with the Treasurer and a copy shall be provided to the appropriate cardholder.
3. The Procurement Card must be signed on the back upon receipt

### **Cardholder's Responsibilities**

1. Sign the back of the card as soon as it is obtained.
2. Keep the Procurement Card in a secure location with controlled access when not in use. Make a note of the card number and the telephone number to report a lost or stolen card. (The Treasurer will also have a list of the card numbers on file for the purpose of accounts payable).
3. Inform the Treasurer of any changes in your address or telephone number.
4. Return the Procurement Card under the following circumstances:
  - a) Upon request
  - b) Upon termination of employment

- c) When the card is no longer required
5. The Card Company is to be notified immediately as soon as a card is noticed as lost or stolen. The cardholder must also inform the Treasurer.
  6. The card is not to be used for obtaining cash advances.
  7. Procurement Cards are not to be left in a vehicle.
  8. When traveling, procurement cards are to be carried in a secure location.
  9. All invoices are to be handed in with the statement and are to be initialed by the CEO.

### **Treasurer's Responsibilities**

1. All invoices are to be processed in a timely manner to avoid interest charges.
2. Monitor Procurement Card activities on an as required basis.
3. Provide assistance, if required in the settlement of disputed items.
4. The issuance of the Procurement Cards upon the proper authority.
5. Obtain and verify reports as requested.
6. Communicate internal procedures to the cardholder.
7. Inform the cardholder of the policies for the use of Procurement Cards.
8. Cancel and/or recall of the Procurement Card.

## **Appendix A**

### **Goods and Services Exempt from Provisions of the Procurement Policies**

#### **1. Petty Cash Items**

#### **2. Training and Education**

- a) Conferences
- b) Courses)
- c) Conventions
- d) Memberships
- e) Seminars
- f) Periodicals
- g) Magazines
- h) Subscriptions
- i) Staff / Board member training
- j) Staff / Board member development
- k) Staff / Board member workshops

#### **3. Employee/Board Expenses** (the appropriate form attached as Appendix “E” shall be submitted)

- a) Advances for travel
- b) Meal allowances
- c) Travel & Hotel accommodation

#### **4. Employer’s General Expenses**

- a) Payroll deduction remittances
- b) Licences
- c) Payments of damages
- d) Tax remittances
- e) Charges to/from other Government or Crown Corporations
- f) Employee income

#### **5. Professional and Special Services**

- a) Committee fees
- b) Honoraria
- c) Arbitrators
- d) Legal settlements

#### **6. Utilities**

- a) Postage
- b) Water and sewer charges
- c) Heat/Hydro
- d) Telephone



## **Appendix B**

### **Bid Irregularities**

A **bid irregularity** is a deviation between the requirements (terms, conditions, specifications, special instructions) of a bid request and the information provided in a bid response.

For the purposes of this policy, bid irregularities are further classified as "major irregularities" or "minor irregularities".

A **major irregularity** is a deviation from the bid request that affects the price, quality, quantity or delivery, and is material to the award. If the deviation is permitted, the bidder could gain an unfair advantage over competitors. Any bid, which contains a major irregularity must be rejected.

A **minor irregularity** is a deviation from the bid request, which affects form, rather than substance. The effect on the price, quality, quantity or delivery is not material to the award. If the deviation is permitted or corrected, the bidder would not gain an unfair advantage over competitors.

The Library Board may permit the bidder to correct a minor irregularity.

#### **MATHEMATICAL ERRORS - RECTIFIED BY STAFF**

The CEO will correct errors in mathematical extensions and/or taxes, and the unit prices will govern.

#### **ACTION TAKEN:**

The CEO will be responsible for all action taken in dealing with bid irregularities, and acts in accordance with the nature of the irregularity:

- ✓ major irregularity (automatic rejection)
- ✓ minor irregularity (bidder may rectify)
- ✓ mathematical error (additions or extensions) as above

In the event that the vendor withdraws his bid due to the identification of a major irregularity, the Library Board may disqualify such vendor from participating in Library quotations/tenders/requests for proposals for a period of up to one year.

## BID IRREGULARITIES – SUMMARY

ITEM	DESCRIPTION	MAJOR	MINOR	ACTION
1.	late bids (by any amount of time)	X		automatic rejection
2.	bids completed in pencil	X		automatic rejection
3.	bid surety not submitted with the bid when the bid request (or any addenda) indicated that such surety is required	X		automatic rejection
4.	EXECUTION OF AGREEMENT TO BOND: a. Bond company corporate seal or equivalent proof of authority to bind company or signature missing b. surety company not licensed to do business in Ontario	X		automatic rejection
5.	OTHER BID SECURITY: Cheque which has not been certified	X		automatic rejection
6.	unsealed tender envelopes	X		automatic rejection
10.	pricing or signature pages missing	X		automatic rejection
11.	insufficient financial security (i.e.: no deposit or bid bond or insufficient deposit)	X or	X	where security is required & amount is not specified in request, automatic rejection unless insufficiency is <u>deminimus</u> (trivial or insignificant) -where security is required and amount of security is specified in request, automatic rejection
12.	bid received on documents other than those provided in request	X		not acceptable unless specified otherwise in the request
13.	EXECUTION OF BID DOCUMENT proof of authority to bind is missing	X		automatic rejection
14.	part bids (all items not bid)	X or	X	acceptable unless complete bid has been specified in the request
15.	bids containing minor clerical errors		X	2 working days to correct initial errors. Library reserves the right to waive initialling and accept bid
16.	Un-initialed changes to the request documents which are minor (i.e.; the bidder's address is amended by overwriting but not initialled)		X	2 working days to correct initial errors. Library reserves the right to waive initialling and accept bid
17.	alternate items bid in whole or in part		X	available for further

				consideration unless specified otherwise in request
18.	unit prices in the schedule of prices have been changed but not initialled		X	2 working days to correct initial errors. Library reserves the right to waive initialling and accept bid
19.	other mathematical errors which are not consistent with the unit prices		X	2 working days to initial corrections. Unit prices will govern.
20.	pages requiring completion of information by vendor are missing	X		automatic rejection
21.	bid documents which suggest that the bidder has made a major mistake in calculations or bid			consultation with a Solicitor on a case-by-case basis and referenced within the staff report if applicable

**NOTE:** The above list of irregularities should not be considered all-inclusive. The CEO, will review minor irregularities not listed. The Library Board may then accept the bid, or request that the bidder rectify the deviation.

## Appendix C

### **Employee Acknowledgment of Responsibilities and Obligations for the Use of the Procurement Card**

1. I understand that the card is approved for Library purchases only, and I agree not to charge any personal purchases.
2. I understand that using the card for personal purchases may result in my dismissal.
3. I agree to immediately notify the issuer if the card is lost or stolen. I further agree to confirm the telephone call by mail or facsimile with copy of such notification to the Treasurer of the Board.
4. I agree to surrender the card immediately upon termination of employment with the Library whether for retirement, voluntary or involuntary reasons.
5. I understand that the card is issued in my name under the Augusta Township Public Library. I will undertake to protect the card and card account number from unauthorized use and realize that it is for my use only not to be divulged to any other person (except a merchant with whom I am transacting business on behalf of the Library).
6. All charges will be billed to the Augusta Township Public Library and paid by the Library. The issuer **cannot** accept any monies from me directly therefore any personal charges billed to the Library may be considered misappropriation of public funds.
7. I understand that the card is the property of the issuer assigned to me on behalf of the Augusta Township Public Library and agree to comply with internal control procedures designed to protect Library assets.
8. I understand that the card will be revoked by the Library Board for failure to adhere to established policies and procedures.
9. I understand that the Library will receive a monthly statement and that I will verify all purchases, provide the receipts and forward to the Treasurer as per the Signing Authority Policy.
10. I understand that the card is not provided to all employees and assignment of a card is based on the need to purchase goods and services for the Augusta Township Public Library. The card is NOT an entitlement nor is it reflective of title or position.
11. I have received a copy of this policy and understand the Procurement Card User Guidelines.

I, \_\_\_\_\_ hereby acknowledge receipt of the Procurement  
(Print Name)

Card issued by \_\_\_\_\_, Card Number \_\_\_\_\_

\_\_\_\_\_

(Print Card Number)

\_\_\_\_\_  
(Employee Signature)

\_\_\_\_\_  
(Date)

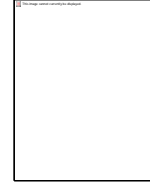
\_\_\_\_\_  
Treasurer

\_\_\_\_\_  
(Date)

Appendix D

***Request for Reimbursement***

**Augusta Township Public Library**  
4500 County Road 15  
R.R. 2  
Brockville, ON K6V 5T2  
Office: 613-926-2449 Fax: 613-926-0440



All receipts **MUST** be attached in order for reimbursement to be approved

**Purchaser Name:**

Purchase (s) \$

Amount of HST \$

Total Amount requested for reimbursement

\$

**Goods purchased:**

Give a description of the goods purchased (eg. Paper towels)

Signature of Employee

For Office Use Only

General Ledger Account