

ADMINISTRATIVE PROCEDURE 520

PURCHASING GUIDELINES**Background**

HPSD recognizes that in the purchasing of goods and services, practical considerations such as time constraints, available vendors and reputation for quality must be weighed against the financial advantage of complete competitive buying.

Procedures

Subject to budgetary control or special approval by the Superintendent, purchases within each category shall be made in accordance with the following procedures:

1. Direct Purchases: for purchases of goods, materials or services (including supply of goods and/or materials) with estimated unit cost less than \$5,000.00.
 - a. Purchases may be made without formal competitive pricing by the appropriate agent of the Division (principal, manager, coordinator, director, Assistant Superintendents, Superintendent) from the vendor considered by the purchaser to be the best choice considering all relevant circumstances. Written price quotations are recommended where possible, but verbal quotations may be accepted at the discretion of the purchaser.
 - b. A purchaser may proceed in accordance with step 2 if in the purchaser's judgement it is desirable to do so.
2. Invitational Quotations or Tenders: for purchase of goods, materials or services (including supply of goods and/or materials) with estimated cost over \$5,000.00.
 - A. The agent will call for quotations or Tenders and shall provide written minimum specifications for the goods or service to be purchased.
 - i. If quotations are called for the following guidelines apply:
 - a. Local businesses will be encouraged to provide quotations.
 - b. Purchases shall be made on the basis of written quotations submitted to the appropriate agent.
 - c. Quotations may be accepted on a verbal basis, subject to written confirmation of the quotation within a specified period.
 - d. The most favourable or any quotation may not necessarily be accepted.
 - e. All quotations, unless submitted in confidence by the vendor, shall be available to all bidders and the public on request.
 - ii. If Tenders are called for the following guidelines apply:

- a. The Assistant Superintendent of Business/Finance shall advertise for sealed tenders in response to the tender specifications in the newspapers serving the jurisdictions of the division and in such other publications as he deems advisable.
 - b. Copies of the tender advertisement may contain the specifications or describe how they may be obtained and shall indicate the closing time for receipt of tenders.
 - c. Tenders shall be received, retained and opened under the auspices of the Assistant Superintendent of Business/Finance at the time of closing.
 - d. Deposits and/or performance bonds may be required if deemed desirable considering the particular circumstances.
- B. Acceptance of the lowest quotation or tender may be made by the Assistant Superintendent of Business/Finance.
- C. Approval by the Superintendent is required if a quotation or tender, other than the lowest, is recommended by the Assistant Superintendent of Business/Finance.

In instances where it is not reasonable to proceed in accordance with the provisions of the above (e.g., vendor monopoly, limited national or international distribution, direct transactions with wholesale suppliers), the Assistant Superintendent of Business/Finance may make alternative purchasing arrangements to expedite the affairs of the Division while protecting its financial interest in the transaction so far as is reasonable. Any alternative purchasing arrangements made shall be reported to the Superintendent.

The requirements of this policy are suspended or modified as required by the application of provincial Legislation and Regulations made hereunder in all transactions where such requirements are applicable.

REFERENCES