



# PURCHASING POLICY

## 1.0 | PURPOSE

The main purpose of this policy is to ensure compatibility with the spirit and intent of related policies of the Corporation of the City of Kawartha Lakes, in regards to the organization's purchasing practices.

## 2.0 | AUTHORITY

This policy authorizes the Board of Management for the Lindsay Downtown BIA (the "LDBIA"), and where applicable, the Executive Director, to act as the legal Purchasing Agent.

The Executive Director will monitor adherence to the provisions of this policy and the procedures adopted for its use. Failure to comply with the provisions and the procedures will be reported to the Board's Executive Committee. Continued non-compliance shall be reported to LDBIA Board.

The Executive Director will be responsible for maintaining good vendor relations and for the conduct of all negotiations with vendors subject to the other provisions of this policy. The Executive Director will request assistance if required from the City of Kawartha Lakes prior to the outset of calling tenders and in all matters that require further expertise.

All inquiries regarding materials, prices, services, delivery, terms, conditions and adjustments, are to be conducted by or through, the LDBIA Executive Director.

## 3.0 | PURCHASING PROCESSES

An annual Operating Budget is to be passed by the LDBIA Board of Directors and subsequently approved by the LDBIA Membership as per Section 12.0 of the LDBIA Constitution.

Changes to expenditures in the approved Operating Budget throughout the Operating Year, are subject to the approval levels enumerated below:

Level 1: Expenditures which can be made at the discretion of the Executive Director;

Level 2: Expenditure changes which can be made at the discretion of the Executive Director;

Level 3: Expenditure changes which require approval by the relevant Committee, or two (2) Officers of the Board of Directors;

Level 4: Expenditures changes which require approval by the Board of Directors

### Level 1 Approval

The Executive Director of the LDBIA can authorize a financial transaction, provided that:

- the transaction is one that was included in the approved budget, and does not result in a budget change or overage, or;
- the transaction is fixed and pre-approved (such as utilities)

### Level 2 Approval

The Executive Director of the LDBIA can authorize a change in expenditure or financial transaction, provided that:

- the transaction is one that was a reallocation of funds within the approved budget;
- the transaction is one that was included in the approved budget, but would cause a budget overage, not exceeding \$250

### Level 3 Approval

The Executive Director of the LDBIA can authorize a change in expenditure or financial transaction provided that:

- the transaction is approved by either two Officers of the Board or by the Committee in which that budget resides; and
- the transaction is one that is a reallocation of funds within the approved budget, and no less than \$7,500; or

- o the transaction is one that was included in the approved budget, but the expenditure amounted to an amount in excess of the estimate, and is less than \$750.

#### Level 4 Approval

The Executive Director of the LDBIA can authorize a change in expenditure or financial transaction that is not included within the approved budget, and that would result in an overage for the Committee in which that budget resides in excess of \$750, provided that:

- o the transaction is approved by the Board of Directors; and
- o the inclusion of the transaction in the Operating Budget does not result in potential insolvency within the Operating Year

## **4.0 | PURCHASING GUIDELINES**

Purchase of goods, services or equipment will be made on a competitive basis, in keeping with accepted public purchasing practices and in accordance with the applicable federal, provincial and municipal laws. Transactions exceeding \$7500 will require a minimum of two comparable bids, unless otherwise approved by the Board.

Splitting of purchases to avoid any of the purchasing processes outlined in this policy is prohibited.

## **5.0 | CO-OPERATIVE BID CALLS**

LDBIA's Board of Directors will have the authority to join or participate with other units of government, including local boards, commissions and agencies in co-operative purchasing and bulk buying of goods and services. Purchases made through this co-operative buying procedure require approval as outlined in this policy. As such, the calling agency's terms will apply.

## **6.0 | ENVIRONMENTALLY-FRIENDLY PRODUCTS & SERVICES**

The purchase of environmentally responsible products and services will be considered at all times.

## **7.0 | DISPOSAL OF SURPLUS**

Where any goods purchased by the LDBIA are declared surplus, obsolete or not repairable, it will be reported to LDBIA's Board of Directors. However, if the item has limited market value, the LDBIA's Executive Director may dispose of them.

## **8.0 | CONFLICT OF INTEREST**

- o No elected member or employee of the LDBIA may purchase goods or services for personal use through the LDBIA;
- o No elected member or employee of the LDBIA will allow contact with a person, or any officer, employee or agent of the person who has submitted a bid to the LDBIA unless the bid call has been awarded;
- o No elected member or employee will purchase or offer to purchase on behalf of the LDBIA. any goods and/or services, except in accordance with this policy;
- o No contract or purchase will be divided to avoid requirements of this policy.

## **9.0 | LEGAL CLAIMS**

No tender, proposal or quotation will be accepted from any company which has a claim or instituted a legal proceeding against LDBIA or against whom LDBIA has a claim or instituted a legal proceeding with respect to any previous contract, without prior approval by the LDBIA's Board of Directors.