

<b>CORPORATE AND FINANCIAL SERVICES POLICY SECTION 2</b>	<b>2.1. SUSTAINABLE ETHICAL PROCUREMENT POLICY</b> Page 1/14
Effective Date: Full Policy Review, <u>September 3/13</u> CM Res.13-09-17	Revised: <u>Month July 7/20</u> CM Res. <u>2</u>

## PURPOSE

To obtain goods and/or services and construction (~~the right~~ procurement) ~~when needed~~ while achieving best value through a transparent, fair and competitive process with a focus on customer service.

## POLICY

~~All personnel having responsibility for purchasing activities are expected to adopt aggressive negotiation practices. Wheatland County is committed to ensuring that its citizens obtain sustainable goods and services which meet the needs of today without compromising the ability of future generations. In order to achieve "sustainable" goods and services all personnel must consider total life cycle costs when making procurement decisions. As Wheatland County is primarily an agricultural community all personnel must consider the environmental consequences which the decisions being made may have on the land. Wheatland County is committed to conducting procurement in compliance with all applicable legislation, policies and procedures in an open, fair, and transparent manner that assures equal access to qualified suppliers and achieves best value for its residents. All employees personnel must conduct themselves in a professional and ethical manner when procuring all and with openness and transparency w. Where possible all personnel must look at consider innovative solutions when procuring goods and services during procurement activities. The purchasing and supply function must fully embrace the philosophy of continuous improvement with the intent that Wheatland County will continue to be a leader in advanced public procurement solutions that are quality focused. Employees must adhere to the guidelines set forth in this policy and in all purchasing activities.~~

~~Wheatland County will purchase goods and services that meet the highest possible environmental and ethical standards where practical.~~

**Release of Information:** ~~Personnel Employees~~ must not release information to any potential supplier that is not intended to be made available to all potential suppliers.

**Documentation:** ~~Appropriate p~~Procurement documentation must be in place ~~must be in place~~ before a purchase, including but not limited to including a contract for services ~~service contracts, covered under a service contract. (i.e. purchase orders; service contracts, agreements, or written quotations).~~

**Commented [BH1]:** A great section of the MGA to reference at the start of this policy would be section 248 (expenditure of money). It would direct staff or a persons reading this to that section, which notes it must be included in a budget, authorized by council via resolution or a legal requirement.

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**Commented [U2]:** Look below for documentation direction, does this need to be here? Purpose to keep quotes on file, contracts etc. \*Could be procedure. Left as general statement with more detail contained in each level regarding specific requirements

**Total Cost of Ownership:** ~~The purchasing and supply function must fully embrace the philosophy of continuous improvement and will continue to be a leader in advanced public procurement solutions that are quality focused. Where appropriate, employees will~~ and consider the total cost of ownership ~~in procurement activities where possible.~~

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**Local Procurement:** According to applicable trade agreements, the County cannot give preferential treatment to local suppliers for competitions over a seventy-five thousand (\$75,000) dollar threshold for goods and/or services or two hundred thousand (\$200,000) for construction.

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When procuring deliverables under the trade agreement thresholds, consideration should be given to obtaining quotes from local suppliers whenever possible. Quotes from local suppliers may be accepted if the price is within 5% of the lowest quote obtained.

As part of the procurement process, employees may identify and consider the Country of Origin. The procurement from overseas suppliers will be limited, especially where competitive Canadian products and services are available, provided that no legal or funding-related limitation exists for the specific procurement. Where competitive Canadian goods and/or services are not available, goods and for purchases under \$75,000, as per the NWPTA and services, consideration will be made for extended to Canadian Value-Added goods and/or services and Canadian Suppliers as an order of priority, with preference for Canadian goods and services provided that no legal or funding-related limitation exists for the specific procurement

Commented [U3]: Added as per Council's request – should be facilitated as part of RFQ/RFP/RFT review

**Environmental and Ethical Standards:** Where practically possible, Wheatland County will meet the highest possible environmental and ethical standards. All procurement staff/employees shall may identify and purchase the most environmentally and socially responsible/ethically preferred products and services when that are available for the intended purpose at a competitive price. Methods of accomplishing this may include, but are not limited to: requesting that environmental or ethical policies and procedures of a vendor be included with quotes or proposals, or proposals or including environmental or ethical considerations in the evaluation scoring processes.

**Negotiation Practices:** ~~Staff must adhere to the guidelines set forth in this policy when making purchasing decisions. All employees having responsibility for purchasing activities are expected to negotiate with the best interests of the County.~~

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**Authorization:** No procurement shall be authorized unless it is in compliance compliant with this Policy and Schedule A.

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**Council:** Is it the role of Council to establish policy and approve expenditures through the County's budget approval process. Through this Policy, Council delegates the CAO to incur expenditures in accordance with approved budgets.

**MGA:** ~~Employees~~**Procurement staff** must also follow regulations as set out in the Municipal Government Act (MGA), Section 248 Expenditure of Money.

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**Exemption:** Procurement not subject to this Policy is listed in Schedule B. The final determination of whether procurement qualifies for exemption under Schedule B shall be determined by the General Manager. This may also include single source procurement however documentation must still be gathered on why the single source was chosen.

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**Contract Splitting:** Subdividing, splitting or otherwise structuring procurement requirements or contracts to reduce the value of the procurement or in any way circumvent the requirements or intent of this Policy is not permitted.

**Supplier's Conduct and Conflicts of Interest:** The County requires its suppliers to act with integrity and conduct business in an ethical manner. The County may refuse to do business with any supplier that has engaged in illegal or unethical bidding practices, has an actual or potential conflict of interest or an unfair advantage or fails to adhere to ethical business practices.

~~**Boards and Committees:** Where the County utilizes Boards and Committees to assist in procurement decisions and Board and Committee members may have an influence on purchasing choices and also pecuniary interest in the outcome of such choices, personnel staff are to ensure that a Conflict of Interest clause is included in the Terms of Reference for the Board or Committee. Voting on a purchasing outcome by a Board or Committee member with pecuniary interest in the outcome is prohibited by this policy in keeping with responsible procurement practices. Board and Committee Terms of Reference should dictate proper process should these instances occur.~~

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**Commented [AR4]:** This topic was submitted for inclusion as a survey response. Thoughts?

**Commented [RM5R4]:** I am wondering what boards and committees this refers to? Or do you think its in relation to CERB giving out grant money?

**Commented [AR6R4]:** Comment came in specifically about the Economic Development Board

**Commented [U7]:** Board Terms should have conflict and confidentiality – Remove from procurement policy

## **DEFINITIONS**

**Commented [U8]:** Some definitions should likely be added

**"Bid"** means a submission in response to a Solicitation Document, and includes proposals, quotations, or responses.

**Commented [BM9R8]:** This may be too limiting as there are many ways to name procurement types. Cindy Swere may be able to provide a more comprehensive list that the Alberta Purchasing Connection accepts.

**"Canadian Good"** means a good which, if exported outside of Canada, would qualify as a good of Canada under appropriate rules of origin as per the Canadian Free Trade Agreement.

**Commented [AR10R8]:** I asked Cindy and she wasn't able to provide a list, I just included them as options and added some other definitions that felt relevant, perhaps we can discuss next Wednesday

**"Canadian Service"** means a service provided by a natural person based in Canada as per the Canadian Free Trade Agreement.

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**"Canadian Supplier"** means a supplier that has a place of business in Canada as per the Canadian Free Trade Agreement.

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**"Canadian Value-Added"** means: (a) in relation to services, the proportion of the service

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contract performed by natural persons based in Canada; and (b) in relation to goods, the value of the portion of the good produced in Canada or the difference between the dutiable value of imported goods and the selling price, taking into account any value-added by manufacturers and distributors, and including any costs in Canada related to research and development, sales and marketing, communications and manuals, customization and modifications, installation and support, warehousing and distribution, training, and after-sales service.

**“Construction”** means a construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure or other civil engineering or architectural work, but does not include professional consulting services related to the construction contract unless they are included in a procurement.

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**“Environmentally Preferred”** means products or services that have a lesser impact on human health and the environment when compared with competing products or services. This comparison may consider raw materials, acquisition, production, recycles content, manufacturing, waste management, packaging, distribution, re-use, operation, maintenance, or disposal.

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**“Ethically Preferred”** means products or services that are produced or delivered under conditions that meet or exceed the standards for employment conditions and human rights for manufacturers and suppliers established by national or provincial governments, or the International Labour Organization.

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**“Goods”** refers to moveable property and includes raw materials, products, equipment, and other physical objects of every kind and description whether in solid, liquid, gaseous, or electronic form as per the Canadian Free Trade Agreement.

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**“Total Cost of Ownership Analysis”** means ~~analysing~~ the cost over the full lifetime of a product. Examples of costs include maintenance, insurance, staffing, training, disposal, and cost savings that may be achieved over the lifetime of the product such as environmental efficiencies (i.e. energy saving or water use) or potential revenues.

Commented [U11]: How are we evaluating this – same as environmental/ethical – need a mechanism to consider/determine – if we can't fulfill what policy says need to remove – equipment is easy re: capital replacement. Good practice to develop lifecycle for replacement. Keep it in matrix with low score. Larger roads projects when asking for proposals and ideas – ask for lifecycle cost in proposals, bridge example longevity, infrastructure and equipment – certain situations have discretion. Guideline or procurement if situation meets criteria. Differing complexity needs to be flexible and allow staff discretion – details in procedure

**“Procurement”** means a set of activities performed by Wheatland County employees in order to facilitate the acquisition of procurement in response to a business need.

Commented [U12R11]: Changed life cycle cost policy section to say will consider where appropriate. Refrained from listing specific areas to evaluate such as equipment and capital items to leave to staff discretion.

**“RFx”** is an acronym that means “request for x”, with x representing any of the form bid documents used to obtain information or cost estimates for the sourcing and/or procurement of goods, services or construction. Bid documents can include: Request for Bid (RFB), Request for Information (RFI), Request for Proposal (RFP), Request for Quotation (RFQ), Request for Tender (RFT), Expression of Interest (EOI) and Request for Prequalification (RFPQ) among others.

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**“Services”** means services supplied or to be supplied, by a person.

**“Single Source”** refers to procurement that is only available by one provider or company, where additional quotes cannot be obtained due to the uniqueness or other vendor limitations.-

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## EMPLOYEE RESPONSIBILITIES

All procurement activities must be conducted with integrity, openness and transparency, and all employees involved in procurement activities must act in a manner that is consistent with Wheatland County Human Resources Policy Section 6.1, —Code of Conduct and Ethics, as well as all other applicable County policies. Responsibilities of employees as defined in Policy Section 6.1 include, but are not limited to avoidance of conflicts of interest, protection of confidential or sensitive information, and adherence to a professional standard of conduct.

In addition to all responsibilities outlined in this Policy, employees ~~must~~ shall endeavour to secure the best value for money to maximize value for the residents citizens of Wheatland County, and ensure compliance with all applicable laws, regulations, policies and procedures related to procurement activities. Employees are responsible for evaluating the performance of suppliers and reviewing available performance

evaluations for bidding suppliers prior to purchase as per Wheatland County's Performance Management Policy 2.14.

Prior to a purchasing decision, employees will review current legislation such as the NWPTA to ensure that procurement is in compliance. ~~In addition, it is better to error on the side of caution.~~ When making any purchasing decisions, proper process, protocol, and accurate record maintenance ~~are~~ is crucial to ensure a fair and equitable process for all involved and to ensure that ~~employees~~ staff and rate payers are protected from any possible challenges that could ~~be potentially faced~~ arise.

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~~staff delegated with approval authority shall follow the guidelines of the Alberta Institute of Supply Chain Management Professionals.~~ **A. Standards of Conduct**

~~Staff will conduct themselves in a manner that a reasonable and informed third party would conclude as being appropriate.~~

**Commented [RM13]:** Should look at taking this whole section out as I think it applies to people specifically trained in supply chain management. We already have a code of conduct and ethics that I think deals with this adequately.

**Commented [U14R13]:** Policy long, could remove, HR policy covers, professional designation code of ethics – mention that staff are bound by various Codes of Ethics, keep little clause highlighting considerations and HR policy – reference specific points and policies

#### **Avoidance of conflicts of interest**

~~Staff should exercise professional judgment and discretion in order to avoid any apparent or actual conflict of interest when performing their duties. Should a conflict of interest arise, the staff member is required to disclose their interests to their employer and/or other impacted parties as soon as possible. Staff members should consider removing themselves from any decisions in which they have a conflict of interest until express direction from the appropriate authority is obtained.~~

#### **Protection of confidential or sensitive information**

~~Where a staff member has been privy to confidential or sensitive information, it is their responsibility to ensure that it remains so. Such information must not be used for any personal gain or advantage. Information given during in the course of a staff member's professional activity should be forthright and not intended to mislead or deceive others.~~

#### **Business relationships**

~~Staff should maintain relationships with suppliers and third parties in a manner that contributes to and promotes fair competition in the market and protects the interests and reputation of Wheatland County. Staff should not use their position to garner personal favours or advantages.~~

### **~~Gifts, gratuities, and hospitality inducements~~**

~~Staff must ensure that the objectivity of their decisions is not compromised or unduly influenced by the acceptance of gifts, gratuities, or hospitalities of any kind. Staff should be discerning in their business and social relationships and activities consistent with current Wheatland County Ethics Policy and, through them, seek to enhance the integrity of Wheatland County.~~

### **~~Environmental and social responsibilities~~**

~~Staff shall exercise their responsibilities in a manner that promotes and provides opportunities for the protection and preservation of the natural environment. Staff shall favour the use and distribution of resources in an efficient, effective, and ethical manner. Staff will be cognizant of the social rights extended to all people, including the conventions with respect to labour standards, and will encourage and support supplier diversity. These attributes of sustainability should guide members in their decisions, and in implementing the policies and values of Wheatland County.~~

## **B. Professional Principles**

~~Staff will perform their roles and duties based on the following principles of professional practice:~~

**Commented [U15]:** Sample policy has conflict of interest/conduct, supplier conduct, role and responsibilities of Council etc.

### **~~Professional competency~~**

~~Maintain professional competency by staying informed of, and complying with, the best supply chain management practices.~~

### **~~Professionalism~~**

~~To provide professional advice to Wheatland County or any other impacted party to the best of their knowledge, recognizing that any final decision is the prerogative of the senior authority within Wheatland County; to act with courtesy and due consideration in dealings with other professional members and in all business relationships.~~

### **~~Honesty and integrity~~**

~~Maintain an unimpeachable standard of integrity and honesty in all business relationships both inside and outside Wheatland County.~~

#### **~~Responsible management~~**

~~Optimize, without prejudice, the use of resources for which they are responsible so as to provide the maximum value as defined by Wheatland County.~~

#### **~~Serving the public good~~**

~~Use their position to advance the interests and well-being of society; to denounce all forms of business practice which may compromise value or bring discredit to Wheatland County.~~

#### **~~Compliance with legal obligations~~**

~~To be aware of and comply with (a) all laws, regulations, by-laws and standards that are relevant to supply chain management practices; (b) the Counties policies and Bylaws; and (c) contractual obligations that apply to the staff member or employer. Staff must not engage in or condone any activity or attempt to circumvent the clear intention of the law.~~

#### **~~Failure to comply~~**

~~Failure to adhere to the requirements outlined in this or any other Policy may lead to disciplinary action up to and including termination of employment.~~

~~NOTE FOR DISCUSSION (based on comment about deleting responsibilities for supply chain managers) Could change responsibilities to something more like this excerpt from Newell?~~



## RESPONSIBILITIES:

The **CAO** is responsible for:

- All purchases and expenditures of the County of Newell.
- Delegating, revoking or amending purchasing authorities to employees.
- Ensuring Employee's with Purchasing Authority are familiar with the purchasing policy and any other purchasing regulations.
- Providing the Manager of Finance with the list of purchasing delegations and limits initially and any time there is a change to the authorizations.

**Directors/Managers** are responsible for:

- Carrying out the mandate of their department(s) as approved in budget.
- Ensuring their employees understand the requirements of the purchasing policy prior to being given Purchasing Authority.
- Reviewing and approving all Request for Tender (RFT) and Request for Proposal (RFP) documents before they are issued.
- Reviewing bids, evaluation results and other relevant documents prior to a contract being awarded.
- Authorize purchases that are within their delegated authority.

**Employees with Purchasing Authority** are responsible for:

- Obtaining applicable authorization(s) prior to asking for, obtaining, or securing bids, proposals, services or goods.
- Using a fair and transparent process when calling for, receiving, and evaluating quotes and proposals.
- Obtaining the best Value for Money by achieving the specified needs of quality, health & safety standards, productivity, service life, customer service, firm experience and expertise, delivery time, capability, and total cost of ownership.
- Ensuring contractors meet the requirements of the County's "Contractor Safety Program" where applicable.

**Commented [U16]:** Steal some terms, value for money, purchasing authority, obtain authorizations before asking for, obtaining or securing bids, proposals, services or goods. Obtain the best value for money by achieving needs of quality, health and safety standards, productivity, service life, customer service, experience, delivery time, capability, and total cost of ownership

## REFERENCES

### Policies

- [Corporate and Financial Services Policy 2.14 Performance Management – Contracted Services](#)
- [Human Resources Policy Section 6.1 – Code of Conduct and Ethics](#)

### Bylaws

- [Records, Retention and Disposition Management Retention Bylaw 2018-23##](#)

### External

- [Canadian Free Trade Agreement \(CFTA\)](#)
- [Agreement on Internal Trade \(AIT\)](#)
- [New West Partnership Trade Agreement \(NWPTA\), formerly the Trade Investment and Labour Mobility Agreement \(TILMA\)](#)
- [Municipal Government Act \(MGA\)](#)
- [Freedom of Information and Protection of Privacy Act \(FOIP\)](#)

## PROCEDURE

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**Commented [BH17]:** switched this to the 'short title' of bylaw 2018-23

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**A. Low Dollar Value Procurements (up to \$54,000) – as per Schedule A**

A low dollar procurement shall utilize applicable County contracts and shall otherwise be in accordance with this Policy.

**Quotes:** Obtaining competitive quotes is considered a good business practice and where practical, quotes should be obtained.

**Purchasing Corporate Credit Card:** A corporate credit Purchasing cCard may be used for low dollar value procurements provided the user complies with the section on purchasing corporate credit cards within this Policy.

**Records Management:** All information on this procurement must be documented and maintained on file as outlined in the current Records-retention management Retention and Disposition Bylaw.

**RFx:** Low dollar procurements do not require a bid process.

**A.B. Informal Quotation (greater than > \$54,001 to \$240,000) – as per Schedule A**

~~An informal quotation process shall be used wherein two verbal quotations are received.~~

An informal quotation procurement shall utilize applicable County contracts and shall otherwise be in accordance with this Policy.

**Two Written Quotes:** ~~An informal quotation process shall be used wherein two written quotations are requested.~~

**Purchasing Corporate Credit Card:** A corporate Purchasing credit Ccard may be used for informal quotation procurements provided the user complies with the section on corporate credit cards within this Policy.

**Records Management:** All information on this procurement must be documented and maintained on file as outlined in the current Records-management retention Retention and Disposition Bylaw.

**RFx:** Informal quotation procurements do not require a bid process.

**Commented [BM18]:** I would recommend that the low value amount be increased to \$5,000.00 as many small contractor repair items are now priced above this limit. Projects such as small plumbing and electrical repairs for example.

**Commented [RM19R18]:** I would agree with this.

**Commented [MK20R18]:** I'm okay with these proposed changes. Ultimately the budget owner should still be seeking the best value for goods/services but this allows some flexibility as per the reasons Bryce has mentioned.

**Commented [AR21R18]:** Thanks folks, will put these numbers forward then

**Commented [BH22R18]:** Can we look into the thresholds for other similar like sized municipalities? Just worried if Council were to ask why the increase - we have a good reason, but just want to make sure w

**Commented [AR23R18]:** Newell County Purchasing

**Commented [AR24R18]:** Interestingly, cannot find

**Commented [AR25R18]:** Kneehill alludes to a

**Commented [AR26R18]:** Rocky View Policy is a three

**Commented [AR27R18]:** Vulcan just writes about

**Commented [AR28R18]:** Lacombe doesn't have then

**Commented [AR29R18]:** Nothing at Sturgeon either,

**Commented [AR30R18]:** Mountain View County

**Commented [AR31R18]:** Nothing online at Bighorn

**Commented [U32R18]:** SLT review and determine b

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**Commented [BM33]:** \$5,000 - \$20,000 ????

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**Commented [BH34]:** The 'Purchasing Card' actually

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**C. Semi-Formal Quotation (~~greater than~~  $\geq$  \$240,001 to \$74,999) – as per Schedule A**

~~A semi-formal quotation process shall be used wherein a minimum three written quotations are requested.~~

Semi-formal quotation procurement shall utilize applicable County contracts and shall otherwise be in accordance with this Policy.

Three Written Quotes: A semi-formal quotation process shall be used wherein a minimum three written quotations are requested.

Purchasing Card: ~~A corporate Purchasing Card may be used for semi-formal quotation procurements provided the user complies with the section on purchasing cards within this Policy.~~

Records Management: All information on this procurement must be documented and maintained on file as outlined in the current Records ~~management~~ Retention and Disposition Bylaw.

RFx: Semi-formal quotation procurements do not require a bid process.

**B-D. Goods (~~greater than~~  $\geq$  \$75,000) – as per Schedule A  
Services (~~greater than~~  $\geq$  \$75,000) – as per Schedule A**

RFx: To comply with requirements of trade agreements such as the NWPTA, any procurement for goods and/or services greater than \$75,000 shall consist of a formal bid document process. The bid document will be posted on the Alberta Purchasing Connection (APC) and Wheatland County website.

Authorization: All amounts greater than \$75,000 shall be authorized by the General ~~senior~~ Managers prior to awarding.

Purchasing Card: ~~A corporate Purchasing Card may be used for this type of procurement provided the user complies with the section on purchasing cards within this Policy.~~

Records Management: All information on this procurement must be documented and maintained on file as outlined in the current Records ~~management~~ Retention and Disposition Bylaw and trade agreements.

**E. Construction (~~Greater than~~  $\geq$  \$75,000 to \$200,000) – as per Schedule A**

Any construction procurement between \$75,000 and \$200,000 shall consist of a Request for Proposal (RFP) process. The RFP will be posted on the Wheatland County website and other procurement websites.

Commented [BM35]: \$20,000 - \$75,000 ??? just to continue the thought. these changes to the dollar amounts will also enhance our ability to award to local contractors.

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Commented [U36]: Authorization points for sign off – signing authority for dollar values – Matt and Tracy looking at it, creating based on grids – policy references this new document. SLT REVIEW AND DECIDE HOW THIS WILL BE INCLUDED

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Commented [BH37]: general manager instead of senior managers, to be consistent?

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When procuring deliverables under the trade agreement thresholds, consideration should be given to obtaining quotes from local suppliers whenever possible. Quotes from local suppliers may be accepted if the price is within 5% of the lowest quote obtained.

**Authorization:** All amounts between \$75,000 and \$200,000 shall be authorized by General senior Mmanagers prior to awarding.

**Purchasing Card:** ~~A corporate Purchasing Card may be used for this type of procurement provided the user complies with the section on purchasing cards within this Policy.~~

**Records Management:** All information on this procurement must be documented and maintained on file as outlined in the current Records Retention and Disposition ~~management~~retention Bylaw.

#### **F. Construction (greater than Greater than > \$200,000) – as per Schedule A**

**RFx:** To comply with requirements of trade agreements such as the NWPTA, any procurement for construction greater than \$200,000 shall consist of a formal bid document process. The bid document will be posted on the Alberta Purchasing Connection (APC) and Wheatland County website.

**Authorization:** All amounts greater than \$200,000 shall be authorized by the Generalsenior Manager prior to awarding.

**Purchasing Card:** ~~A corporate Purchasing Card may be used for this type of procurement provided the user complies with the section on purchasing cards within this Policy.~~

**Records Management:** All information on this procurement must be documented and maintained on file as outlined in the current Records Retention and Disposition ~~management~~retention Bylaw and trade agreements. -

#### **G. Purchasing Corporate Credit Cards**

**Authorization:** The General Manager of Corporate and Financial Services CAO shall approve who is authorized to have a purchasing corporate credit card and those authorized must sign an agreement for the use of the card as attached to this policy as Schedule C.

**Requirements for Use:** Schedule C outlines employee requirements for purchasing and using a corporate credit card. Only budgeted and approved expenditures may be made using a corporate credit card. Any purchase over the employee's limit must be approved by a supervisor prior to purchase. .

**Record Management:** Employees who have been issued purchasing corporate

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Commented [MK38]: If okay with the CAO, consider moving approval down to the General Manager of Corporate & Financial Services?

Commented [BH39R38]: agree with this point - makes more sense organizationally to have it in that department

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Commented [U40]: Senior leadership discussion on numbers of cards

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credit cards will be responsible for maintaining accurate documentation of all purchases and submitting all required backup to the Finance dDepartment with the monthly purchasing credit card statement. Any missing documentation must be obtained by the card holder from the company the purchase was made from and and ~~will be~~ submitted to the Finance Department. Employees who do not maintain accurate documentation may have their purchasing corporate credit cards revoked.

#### **DOCUMENT OWNER**

Chief Administrative Officer

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## ADDENDUM TO 2.1 ~~SUSTAINABLE ETHICAL~~ PROCUREMENT POLICY FOR GOODS, SERVICES AND CONSTRUCTION

### SCHEDULE A – Levels of Contract Approval Authority

All applicable taxes and duties shall be excluded in determining the price of a contract for the supply of goods and/or services for the purpose of the relationship of the price to the preauthorized expenditure limit. In the case of multi-year supply good and/or service contract, the preauthorized expenditure limit shall refer to the estimated annual expenditure under the contract.

Emergencies ~~Where~~ where there is an immediate threat to public health, maintenance of essential services, or the welfare and protection of persons, property, or the environment and the situation requires immediate need for goods and services to mitigate the emergency, ~~ade not require a~~ competitive procurement process is not required.

Only under a Council declared State of Local ~~Emergency~~ shall any expenditure exceed the Council approved budget. All procurement shall follow the guidelines outlined by Provincial or Federal legislation ~~such as the New West Partnership Trade Agreement~~.

#### Preauthorized Expenditure Limits for Contracts

Dollar Value (excluding taxes, duty or shipping)	Minimum Requirements	Approval Authority Within Current Budget Year
Up to \$ <del>54</del> ,000	Quotes / single source	Managers
>\$ <del>54</del> ,001 to \$ <del>24</del> 0,000	Two written quotes requested	Managers
>\$ <del>24</del> 0,001 to \$74,999	Three written quotes requested	Managers

Commented [U41]: Noted that perhaps some of the spending limits should be lowered? Some comments wanted to see thresholds increased for one quote option as sometime sole sourcing is in County's best interest. One comment asked for low dollar to go to \$5000, and the next level to be \$5000 - \$25,000 – reasonable? Comment about managers being allowed greater authority on higher dollar values so long as the amount falls within the approved budget

>\$75,000 Goods and Services	RFx	General Managers
>\$75,000 to \$200,000 Construction	RFP	General Managers
>\$200,000 Construction	RFx	General Managers

## ADDENDUM TO 2.1 ~~SUSTAINABLE ETHICAL~~ PROCUREMENT POLICY FOR GOODS AND SERVICES

### SCHEDULE B – Goods and Services NOT Subject to this Policy

The following items are not subject to this Policy, provided that their cost is not greater than \$75,000 as per the NWPTA, unless they are specifically referred to in Part V: Exceptions, of that agreement.

- Conferences, Seminars, Courses and Conventions
- Magazines, Subscriptions, Periodicals
- Memberships
- ~~Employee~~Staff Development
- ~~Employee~~Staff Workshops
- Payroll deductions
- ~~Tax remittances – these items obtain final approval from the CAO and Reeve~~
- Postage
- Charges to and from other Governments
- Newspaper advertising
- Retirement and other recognition awards
- Licenses, ~~certificates~~certificates, and other required approvals
- Election materials
- ~~Communication costs (telephone and internet)~~
- Contributed assets
- Insurance (property, liability, etc.)
- Construction work completed by Railways (CN and CP) and billed to Wheatland County
- ~~Enforcement Clean-Ups~~
- Items available from only one supplier (i.e. sole -sourcingStrychnine)

**Commented [RM42]:** Can we add items that are only available from one supplier? Like strychnine for example.

**Commented [U43]:** Noted that current processes have the CAO and Reeve provide final approval on payroll tax remittances – update policy to include this process – where in policy should that go, perhaps a new bullet under process called Tax Remittances or Special Cases?

**Commented [MK44R43]:** Disregard - the more I read this section of the policy it's fine as is.

**Commented [AR45R43]:** Okay thanks Matt!

**Commented [U46]:** From survey – very difficult to find companies willing to do this work, is advised that this activity be exempted

**Commented [BH47R46]:** I think its important to go to market on these activities (enforcement clean up), if it is a single source supplier or goods, it should be documented. If we had something above, noting something along the lines of "if there is a single source supplier outside of the Schedule B, it must be documented and kept in accordance with the records retention bylaw"



## ADDENDUM TO 2.1 ~~SUSTAINABLE ETHICAL~~ PROCUREMENT POLICY FOR GOODS AND SERVICES

### SCHEDULE C – ~~Purchasing Corporate Credit~~ Card Usage Waiver

Wheatland County may issue a ~~corporate credit~~ ~~Wheatland County Purchasing c~~Card to certain employees for use in their ~~positions~~ ~~jobs~~; this waiver sets out the acceptable and unacceptable uses of such ~~Purchasing Cards~~ ~~corporate credit cards~~. Use of Wheatland County-issued ~~Purchasing credit c~~Cards is a privilege, which Wheatland County may withdraw in the event of ~~any serious or repeated~~ abuse. Any ~~purchasing corporate credit card~~ ~~Wheatland County issued~~ to an employee must be used for business purposes only, in conjunction with the employee's ~~job position~~ duties. Employees with ~~such Purchasing Card~~ ~~corporate issued credit cards~~ shall not use them for any non-business, non-essential purpose, i.e., for any personal purchase or any other transaction that is not authorized or needed to carry out their duties. Employees must pay for personal purchases (i.e., transactions for the benefit of anyone or anything other than the Wheatland County) with their own funds or personal ~~credit card~~ ~~Purchasing Card~~. Wheatland County will not regard expenses for one's own business-related use, such as lodging and meals while on Wheatland County-approved business trips, as personal purchases, as long as such expenses are consistent with Wheatland County's ~~T~~travel and ~~E~~expense Policy. If any employee uses a ~~corporate credit~~ ~~Wheatland County purchasing~~ card for personal purchases in violation of this waiver, the cost of such purchase(s) will be considered an advance of future wages payable to that employee, and will be recovered in full from the employee's next pay ~~cheques~~ ~~check~~; any balance remaining will be deducted in full from subsequent pay ~~checks~~ ~~cheques~~ until the wage

**Commented [U48]:** One comment asked if more users could have purchasing cards due to difficulty finding a card when many of the holders are away or busy.

**Commented [RM49R48]:** I would like to see more people with cards to help with the issue of finding a card when needed but also because the waiver states that the cards issued to an employee shall be used in conjunction with the employees job duties. That makes it difficult when people outside your department are requesting to use your card.

**Commented [AR50R48]:** We should look at Part G - Authorization for this. I think we may not need to have this in policy since it just says that the CAO (or suggested GM of Corporate and Finance) shall approve who is authorized. Under policy as currently written, CAO could just approve more people and no policy change is required? Unless we change the bit about use in conjunction with job duties to accommodate as you've mentioned



advance is fully repaid. Such deductions may take the employee's pay below minimum wage for the pay period(s) in question. An employee may also provide repayment in the form of cash, cheque, or electronic payment (Interac or personal credit card) prior to any payroll deductions. If an employee uses a ~~Wheatland County purchasing corporate credit~~ card for any other type of unauthorized transaction in violation of this waiver, i.e., incurs financial liability on Wheatland County's part that is not within the scope of the employee's duties or the employee's authorization to make business-related purchases, the cost of such purchase(s) or transaction will be the financial responsibility of that employee, and the employee will ~~be expected to~~ reimburse Wheatland County ~~via deductions from pay until the unauthorized amount is fully repaid.~~ Such deductions will be in the amount of the unauthorized purchase(s), but if a deduction for such amount would take the employee below minimum wage for the pay period in question, the deductions will be in equal increments that will not take the employee's pay below minimum wage for any pay period involved. In addition to financial responsibility and liability for wage deductions, any purchases an employee makes with a ~~Wheatland County purchasing corporate credit~~ card in violation of this waiver will result in disciplinary action, up to and possibly including termination of employment, depending upon the severity and repeat nature of the offense.

#### **Agreement for Wage Deductions Associated with Improper Use of Purchasing Corporate Credit Card**

I, [INSERT EMPLOYEE'S NAME], hereby certify that I understand and agree to abide by the Wheatland County's waiver regarding use of a Wheatland County-issued Purchasing corporate credit Card, a copy of which I have received, and which has been explained to me. I agree that if I make any personal purchases (i.e., transactions for the benefit of anyone or anything other than Wheatland County) in violation of that waiver, the amount of such purchases is an advance of future wages payable to me, that Wheatland County may deduct that amount from my next paycheque, and that if there is a balance remaining after such deduction, Wheatland County may deduct the balance of the wage advance from my future paycheques until the amount is repaid in full. I further agree that if I make any non-personal transactions in violation of the waiver in question, i.e., incur financial liability on Wheatland County's part that is not within the scope of my duties or my authorization to make business-related purchases, I am financially responsible for any such expenses and agree to reimburse Wheatland County via wage deductions for such amounts until the unauthorized amounts are fully repaid. Such deductions will be in the amount of the unauthorized purchase(s), but if such amount would take my pay below minimum wage for the pay period in question, the deductions will be in two or more equal increments that will not take my pay below minimum wage for any pay period involved.

\_\_\_\_\_  
Signature of Employee

\_\_\_\_\_  
Name – printed

\_\_\_\_\_  
Date

\_\_\_\_\_  
Wheatland County Representative

\_\_\_\_\_  
Date

## **ADDENDUM TO 2.1 PROCUREMENT POLICY FOR GOODS AND SERVICES**

### **SCHEDULE D – Bid Evaluation Framework**

Employees may use this framework to ensure that bids are being evaluated in accordance with Wheatland County's Procurement Policy. This framework does not apply to bid processes being evaluated by price only.

Evaluation criterion and weights provided in this framework are suggestions; they may be modified at the discretion of employees depending on the nature of the good and/or service being purchased and any unique requirements of the selection process.

**Criterion Weight %**

**Commented [U51]:** Took a stab at this after reading the example policy. Used evaluation criteria pulled from standard RFPs that have gone out. Can include it or delete it, if including need to reference somewhere in the policy, perhaps in responsibilities. "A bid evaluation framework is provided in Schedule D to assist employees in evaluating bids in accordance with this policy."

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1. Corporate profile:	5%
2. Qualifications/experience of personnel assigned to the project:	15%
3. Experience and past performance working with local governments:	10%
4. Availability and capability to meet work requirements as assigned:	20%
5. Experience completing similar projects:	25%
6. Estimated Project Cost:	25%
	100%

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### Individual Criterion Ranking

Scoring shall be awarded on a scale of 0 to 5. Partial scores or scores not defined below will not be used.

The range is defined as follows:

5	Fully exceeds expectations. Proponent clearly understands the requirements, excellent probability of success.
4	Somewhat exceeds expectations, high probability of success.
3	Fully meets expectations. Proponent has a good understanding of the requirements, no weaknesses or deficiencies, good probability of success.
2	Partially meets expectations, minor weakness or deficiencies, fair probability of success.
1	Does not meet expectations or demonstration of the understanding of the requirements, major weakness or deficiencies, low probability of success.
0	Lack of response or complete misunderstanding of the requirements, no probability of success.

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### Other Considerations

Where appropriate, employees/procurement staff are encouraged to ~~shall include~~ statements and selection criteria enabling them to effectively ~~consider~~ evaluate total cost of ownership, ~~environmental, and ethical considerations~~ within procurement and bid documents.

**Total Cost of Ownership:** ~~The purchasing and supply function must fully embrace the philosophy of continuous improvement and will continue to be a leader in advanced public procurement solutions that are quality focused~~ Where appropriate, employees should consider the total cost of ownership of ~~goods in procurement activities~~ where possible.

**Environmental and Ethical Standards:** Where appropriate, employees should purchase goods and/or services that meet the highest possible environmental and ethical standards.

**Ethically Preferred:** Where appropriate, employees should purchase products or services that are produced or delivered under conditions that meet or exceed the standards for employment conditions and human rights for manufacturers and suppliers established by national or provincial governments, or the International Labour Organization.

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**Environmentally Preferred:** Where appropriate, employees should purchase products or services that have a lesser impact on human health and the environment when compared with competing products or services.

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Sample:

Please provide a copy of your business' Ethical and Environmental Policies and/or Procedures for consideration.

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OR

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Please describe the ethical and environmental merits of the good or service being offered.

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