



POLICY – FN 03

PURCHASING AND PROCUREMENT

APPROVAL DATE:	2006-12-09	CROSS-REFERENCE:	Credit Card Policy FN 21
RESPONSIBILITY:	Administration		
APPROVER:	Council	APPENDICES:	
REVISION DATE (s):	2009-07-08; 2018-07-16; 2021-12-13	REVIEW DATE:	2026

POLICY STATEMENT

To establish the guidelines for the procurement of goods and services as it pertains to all Village of Marwayne expenditures.

BACKGROUND

The Village of Marwayne has always sought to purchase goods and/or services in a congruent manner that is consistent with the efficient and effective delivery of services to the residents of the community. The Village of Marwayne is committed to ethical behavior and conduct, full and open competition, and best value acquisition.

OBJECTIVE

To ensure objectivity and integrity in the procurement process, ensure fair treatment of all bidders, obtaining the best value when procuring goods and/or services, encouraging local supplier participation and providing for openness, accountability and transparency all the while protecting the Village's financial interests.



DEFINITIONS

CAO is the Chief Administrative Officer for the Village of Marwayne in the Province of Alberta.

Council is the governing body for the Village of Marwayne comprised of 5 individual Councillors whom have been elected to office for a four year term.

Employee is a full-time permanent Employee of the Village of Marwayne in the Province of Alberta.

Employer is the Village of Marwayne in the Province of Alberta.

MGA is the Municipal Government Act, as amended from time to time.

NWPTA is the New West Partnership Trade Agreement.

Village is the Village of Marwayne in the Province of Alberta.

GUIDING PRINCIPLES

- Responsible purchasing is foundational to good governance and the reputation of the Village of Marwayne.
- In accordance with the Municipal Government Act (MGA), the Village of Marwayne may only make an expenditure that is:
 - Included in an operating budget, interim operating budget or capital budget or otherwise authorized by Council resolution;
 - For an emergency; and/or
 - Legally required to be made.
- Further, and also in accordance with the MGA, the Village of Marwayne will establish the procedure for authorizing or verifying expenditures that are not included in a budget, by requiring all such expenditures to be presented to Council for approval prior to purchasing.



- The Village of Marwayne is committed to following the New West Partnership Trade Agreement (NWPTA) in addition to any other trade agreements applicable to the public sector in Alberta by practicing open and non-discriminatory procurement where the anticipated costs are at or above the lowest applicable threshold currently:
 - \$75,000 or greater for goods;
 - \$75,000 or greater for services; and
 - \$200,000 or greater for construction.
- Alberta Purchasing Connection, the official electronic tendering system to advertise and distribute related solicitation documents when required.
- The Village of Marwayne shall take into consideration several factors in evaluating vendor selection. These factors may include but are not limited to:
 - Social – vendor contribution to the community;
 - Delivery time;
 - Quality;
 - Price; and
 - Support and service availability.
- The lowest cost supplier may not necessarily be the chosen supplier dependent upon the acceptance criteria outlined for the goods and services purchased. Local vendors will be included in the purchasing processes. All purchases made on behalf of the Village of Marwayne shall consider value for money regardless of dollar value spent.
- Council and Village staff are not allowed to purchase items for personal use through the Village's purchase arrangements thus alleviating potential conflicts of interest.
- Authority for purchasing on behalf of the Village of Marwayne shall rest with the Chief Administrative Officer and any other staff receiving authorization from the Chief Administrative Officer.



- The following purchasing process in relation to the thresholds shall be:

Level	Value	Process Required
1	Goods and/or services up to \$15,000	No quotations are required
2	Goods and/or services between \$15,000 to \$75,000 and under \$200,000 for construction	Written quotations from at least two, preferably three vendors
3	Goods and/or services over \$75,000 or over \$200,000 for construction	Advertised on Alberta Purchasing Connection

ROLES & RESPONSIBILITIES

ROLE/TASK	TITLE (s) OF PERSON RESPONSIBLE
HANDLING INQUIRIES & COMMUNICATING POLICY	Chief Administrative Officer
MONITORING REVIEWS AND REVISIONS	Administrative Assistant

EXEMPTIONS

The requirements for a procurement may not apply to the purchase of the following items unless specifically requested by Council. The CAO has the authority to execute any contracts required under this list. The CAO may delegate this authority if the CAO determines such delegation to be in the best interests of the Village:

- Human Resource expenses of training and education
 - conferences, courses, conventions, seminars, staff development and training, staff workshops
 - memberships, magazines, periodicals, subscriptions
- refundable employee expenses



- advances, meal allowances, miscellaneous-non-travel, travel expenses,
- employer's general expenses
 - payroll and payroll deductions
 - licenses – including software licenses
 - debenture payments, bank charges
 - insurance premium payments, claim settlements and adjuster services, damage claims
 - grants to agencies
 - petty cash replenishment
 - tax remittances, WCB
- professional and special services
 - legal fees and services
 - annual audit fees
 - such as engineers, consultants, architects etc.
- utilities (to include servicing and requested plan modifications/relocations related to construction)
 - postage
 - hydro, gas, telephone basic services
- amendments or renewals of existing agreements
- Emergency Purchases
 - A condition where lack of unforeseen supplies or services may adversely affect the functioning of the Village of Marwayne, it's residents, public property, private property, the environment or endanger the health of the public
 - Interim contractual arrangements following the abandonment or breach of a contract, or the receipt of unacceptable bids.
 - Emergency purchases are to be completed in an expedient manner but should take economy into consideration. In each case the authorizing person is required to report the emergency purchase to the Chief Administrative Officer

Purchasing and Account Processing:

- To process an invoice, the following steps shall be carried out:
 - No invoices can be paid without supporting documentation;
 - Invoices received will be dated with the date received stamp;
 - All Invoices or packing slips will be coded and entered into accounts payable (program/accounts payable/invoice maintenance);
 - Any public works invoices will be copied and given to the Public Works foreman for verification of work completed and to confirm correct account;



- All invoices will be brought to the attention of the CAO;
- Regular cheque runs will be prepared for approval by the CAO and/or Council;
- All cheques require two signatures, The Mayor or Deputy Mayor will be one signing authority and the CAO the other, except when conflict of interest occurs then both Mayor and Deputy Mayor may be the two signing authorities.
- The Administrative Assistant and Public Works Foreman may approve accounts approved by the budget with purchasing being done on the Village Credit Cards.