

Financial

Purchasing Policy

GFOA Alberta – Policy Manual

Policy Type: Financial	Number: 3.3.2
Policy Name: Purchasing Policy	Original Effective Date: May 6, 2020 Date of Last Amendment:
<p>Policy</p> <p>The purpose of this policy is to provide guidance to the Board of Directors (Board) and Administration with respect to purchasing functions to achieve the best value for the Association through purchasing processes that are open, fair and transparent, as well as to make certain the following purchasing criteria are met:</p> <ul style="list-style-type: none"> • Compliance with all applicable laws, regulations, bylaws, policies, directives and trade agreements, • Establish efficient procedures for the purchase of goods and services, • Secure supplies, services and equipment at the lowest possible cost corresponding with level of quality needed, • Exercise positive financial control over purchase, • Clearly define authority and responsibility for the purchasing function, and • Ensure the quality of purchases. <p>Guidelines/Procedures</p> <p>1. Purchasing Guidelines</p> <p>1.1 The purchase of materials, supplies, services and equipment shall be made in accordance with this policy.</p> <p>1.2 As long as expenditures do not exceed the budget, Board review of Cheque Logs is not necessary; however, it is the Treasurer's responsibility to report to the Board the financial affairs of GFOA Alberta in relation to quality of services being performed.</p> <p>1.3 The Executive Director has the authority to make unplanned expenditures for emergencies up to 2500. Administration will be responsible to informing the board of any unplanned, emergent expenditures made.</p> <p>1.4 For the purpose of implementing this policy, the following positions are responsible for purchasing as listed below:</p> <p><u>Executive Administrator</u></p> <ul style="list-style-type: none"> • responsible and accountable for the general operational requirements of GFOA Alberta, within the approved budget. <p><u>Executive Director</u></p> <ul style="list-style-type: none"> • responsible and accountable for overseeing general operational purchases, including that of GFOA Alberta Task Forces. <p><u>Treasurer</u></p> <ul style="list-style-type: none"> • to ensure compliance of all procurement policies, applicable laws, trade agreements and regulations, • to validate purchases and monitor all expenditures to ensure that commitments do not exceed annually approved budget, • to support the promotion of sound procurement practice, and • to report on Budget Overruns to the Board, as required. <p><u>President</u></p> <ul style="list-style-type: none"> • to monitor the guidelines, procedures and internal controls established and ensure compliance with this policy. <p><u>Board of Directors</u></p> <ul style="list-style-type: none"> • to evaluate the overall budget of GFOA Alberta, and • to approve emergency/unplanned expenditures as per this policy, while collectively assessing the impact to the bottom line of the budget and weigh priorities. <p>2. Non-Competitive and Competitive Processes</p> <p>Contractual agreements may be made with the Executive Director's approval, as long as the following conditions are considered:</p> <ol style="list-style-type: none"> a. The purchase is part of GFOA Alberta's regular daily business needs, b. The purchase fits within the approved annual budget, c. The purchase does not override an existing product or service Contract Agreement, and <p>All contracts will be included within the Executive Director's report.</p> <p>Supplies, equipment, and services must be acquired through a competitive process that ensures the best value for the funds expended to meet the specific needs and promote fair dealings and equitable relationships.</p> <p>Appropriate terms, conditions, parameters, waiver options and approval requirements necessary must be established and documented. All requirements must be clearly articulated throughout a tendering process to ensure an open and transparent competition.</p> <p>3. Single/Sole Sourcing</p> <p>Single and sole sourcing shall be used only in narrowly defined circumstances, such as:</p> <ul style="list-style-type: none"> • emergencies, • to ensure compatibility with existing products, to protect exclusive rights such as copyright, patents or exclusive licences, or to maintain specialized equipment that must be maintained by the manufacturer or its representative, • where there is no response to a call for tenders, • where the supply of goods or services is controlled by a supplier that is a statutory monopoly, • for research and professional development, and • to maintain validity of warranties/guarantees. <p>4. Conflict of Interest</p> <p>A "Conflict of Interest" exists where the decisions made, and/or the actions taken by the Board or Administration in the exercise of their duties could be affected by:</p> <ul style="list-style-type: none"> • personal, financial or business interests, or • the personal, financial or business interests of relatives, friends or associates. <p>It is important to avoid not only real conflicts of interest but also being placed in a position that could give the appearance of being harmful to the Association's interest.</p>	