



## **PURCHASING POLICY OF THE ONTARIO BUSINESS IMPROVEMENT AREA ASSOCIATION**

### **Objective:**

The main purpose of this policy is to ensure compatibility, clarity and guidance for expenditures of the Board of OBIAA

### **Authority:**

- For expenditures that are not anticipated in the budget, it is expected that the Executive Director will consult with members of the Executive to make those determinations.
- This policy authorizes the Board of Directors for OBIAA and where applicable the Executive Director, to act as the legal Purchasing Agent.
- The OBIAA 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 Treasurer. Continued non-compliance shall be reported to the OBIAA Board of Directors.
- The OBIAA 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 OBIAA Executive Director will request assistance if required from the Executive Committee 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 OBIAA Executive Director.

### **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.
- OBIAA will attempt to select local business(es) where reasonable.
- Splitting of purchases to avoid any of the purchasing process outlined in this policy is prohibited.

### **Purchasing Processes:**

There are two levels of approval established for financial transactions.

Level 1: Approval by the ED

Level 2: Approval by two of the Officers of the Board of Directors

Level 2: Approval by the Board of Directors

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### Level 1 – Approval

The ED can make a financial transaction to a maximum of \$750.00 at their own discretion and report it to the Board or Executive Committee and the next (soonest) meeting

### Level 2 – Approval

The Executive Director of the OBIAA can make a financial transaction to a maximum of \$750.00 at the discretion of two Officers of the Board without prior consultation with, or approval by, the Board of Directors provided that:

- a) the purchase is one that was included in the approved budget; and
- b) the purchase does not result in an overage in the budget item; and
- c) two officers of the Board approve the purchase verbally or in writing
- d) the purchase is reported to the Board at its next meeting

### Level 3 – Approval

The Executive Director of the OBIAA can make a financial transaction of \$750.00 or over only at the direction of the Board and provided that:

- a) the purchase has been approved by motion at a meeting of the Board of Directors and the approval is documented in the Minutes of the Meeting or
- b) the purchase is confirmed to the Board of Directors at its next meeting following the completion of the transaction or
- c) the expense is fixed and pre-approved as in the instance of monthly rent.

### Leasing:

- In certain cases, it may be economically advisable to enter into a Financing Lease to acquire the rights to use capital property and equipment rather than an outright purchase. In which case the OBIAA will follow the Municipal Act, 2001, Regulation 46/94 as amended by 401/02.
- All lease arrangements must be reviewed by the OBIAA's Executive Director and the OBIAA's Board of Directors. The following information is to be received prior to review:
  - The total amount to be borrowed as compared to the cost of the equipment or capital property.
  - Disclosure of the interest rate and whether it is a variable or fixed; copy of the master schedule including a complete schedule of all fixed payments.
  - How the payments are to be made (monthly, quarterly, yearly)
  - Administrative fees (Credit investigation, registration, billing surcharges, insurance)
  - Termination Penalties



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### Co-operative Bid Calls:

- The OBIAA'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 and conditions will apply.

### Specifications:

- Where practical, specifications and Terms of Reference should be considered, where specifications are detailed and may be brand specific, care shall be taken to ensure potential vendors may provide alternatives in the event an equal or better-proven product or method is available.

### Environmentally Friendly Products and Services:

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

### Accessibility (AODA):

- The purchase of products and services in compliance with AODA will be considered at all times.

### Disposal of Surplus:

- Where any goods purchased by OBIAA are declared surplus, obsolete or not repairable, it will be reported to OBIAA's Board of Directors, unless the item has limited market value (under \$750), OBIAA's Executive Director may dispose of them.

### Conflict of Interest:

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

### Legal Claims:

- No tender, proposal or quotation will be accepted from any company which has a claim or instituted a legal proceeding against OBIAA or against whom OBIAA has a claim or



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instituted a legal proceeding with respect to any previous contract, without prior approval by OBIAA’s Board of Directors.

Administration:

- OBIAA’s Executive Director and/or OBIAA’s Board of Directors will bring forward from time to time, amendments to this policy to update, whether adding new clauses or adjusting those currently in force.

February 22, 2016 TABIA, Enercare Centre	MOTION 16-09 A motion was made by Ann Sargent, seconded by Rob Sysak THAT THE PROCUREMENT POLICY, AS RECOMMENDED BY THE GOVERNANCE COMMITTEE, BE ACCEPTED AS CIRCULATED	CARRIED UNANIMOUSLY
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