

**The Corporation Of The City Of Quinte West
By-Law Number 21-073**

Being A By-Law To Adopt A Purchasing Policy for the City of Quinte West.

Whereas it is necessary to meet the requirements of the Municipal Act, namely Section 270 (1) wherein the City must adopt policies with respect to its procurement of goods and services;

And Whereas it is deemed desirable to establish a policy to direct the purchase of goods and services by the various departments within the City;

And Whereas it is necessary to set out minimum requirements to ensure the City obtains the best value in goods and services at the most economical cost to provide the basic minimum requirements to ensure that quotations are obtained, competitive purchasing is adhered to, and to continue to ensure that the City of Quinte West obtains the best value, goods and services at the most economical cost;

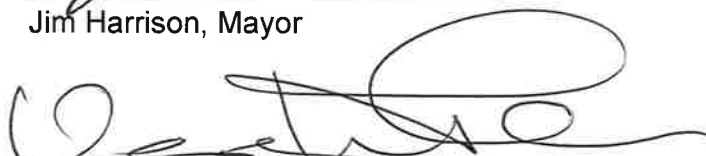
Now Therefore The Council Of The Corporation Of The City Of Quinte West Hereby Enacts As Follows:

1. That this By-law shall be entitled the **"Purchasing Policy By-law"**.
2. That the Purchasing Policy as attached, inclusive of Schedules "A", "B" and "C", is hereby adopted for the City of Quinte West.
3. That By-law 16-058 is hereby repealed.
4. This By-law shall take effect upon the final date of passing.

Read A First, Second And A Third Time And Finally Passed This 7th Day Of June, 2021.



Jim Harrison, Mayor



Virginia LaTour, Deputy City Clerk

THE CORPORATION OF THE CITY OF QUINTE WEST
SCHEDULE "A" TO BY-LAW NO. 21-073
PURCHASING POLICY



A Natural Attraction

PURCHASING BYLAW 21-073

SCHEDULE "A" - PURCHASING POLICY

SCHEDULE "B" - PURCHASING PROCEDURES/PROCESSES

SCHEDULE "C" – PURCHASING CARD PROGRAM

Revised: June, 2021

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SCHEDULE "A" TO BY-LAW NO. 21-073
PURCHASING POLICY

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1. DEFINITIONS

"Award" means the selection of a Bidder and their Goods and/or Services as accepted by the City;

"Agreement to Bond" means a letter or other form issued by a bonding agency licensed to operate by the Government of Canada or the Province of Ontario advising that, if the Bidder is successful, the bonding agency will issue the required bonds;

"Addenda or Addendum" means such further additions, clarifications, deletions, modifications or other changes to any Bid Document;

"Bid" means the Bidder's offer to sell to the City;

"Bidder" or "Proponent" or "Respondent" means a person, Supplier, Vendor, contractor, developer or professional, who submits a Bid to the City;

"Bid Deposit" means currency, certified cheque, bank draft, bond surety issued by a surety company, Irrevocable Letter of Credit, or other form of negotiable instrument submitted by a Bidder as evidence of their commitment to enter into an Agreement to do the work outlined in the Bid Solicitation;

"Bid Document" means a Request for Tender, Request for Quotation, Request for Proposal or other document that states the City's desire to buy or to consider buying and Bidders/Proponents offer to sell to the City, the Goods and/or Services defined in the Specification and/or Scope of Work;

"Bid Irregularity" means a deviation between the requirements of a Bid Document request and the information provided in the Bid response;

"Bidding System" means an electronic bidding system for the secure transmission of bidding documents, Bid data and related documents in connection with the procurement of Goods and/or Services;

"Certificate of Insurance" means official original documents issued by an insurance company acceptable to the City and licensed to operate by the Government of Canada or the Province of Ontario certifying that the Bidder is insured in accordance with the City's insurance requirements as noted in the Bid Document;

"City" means The Corporation of the City of Quinte West;

"Committee" means a committee duly appointed by Council;

"Contract" or "Agreement" means a binding agreement between two or more parties that creates an obligation to provide a particular Goods and/or Services;

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"Council" means the Council of The Corporation of the City of Quinte West;

"Designate" means a person provided with the written authority to act on another person's behalf;

"Department" means any City Department;

"Department Head" means the head of any City Department;

"Electronic Bidding (Facsimile, Email or Internet)" means a method of issuing Solicitations and/or receiving Bids where the process of issuing and/or receiving Bids by facsimile, email or internet is considered appropriate;

"Evaluation Committee" means a committee of staff, which may include the Manager of Purchasing & Risk, and/or outside consultant(s), but at any rate a minimum of two people, established by the Department Head, to evaluate Submission(s) according to the evaluation criteria in the Bid Document;

"Goods and/or Services" includes supplies, equipment, furniture, fixtures, construction, maintenance and service Contracts and professional and consulting services but does not include Real Property;

"Improvements" has the meaning given to it in the Construction Act.

"Labour and Material Bond" means a bond issued by a surety company on the City standard Form of Bond to ensure that the contractor will fulfill its obligations to its employees, subcontractors and Suppliers and thereby protects the City. Any changes to the standard Form shall require approval of the Purchasing Supervisor;

"MFIPPA" means Municipal Freedom of Information and Protection of Privacy Act;

"Official Documents" means the mandatory documents required by the City from the Vendor before execution of a Contract i.e. Certificate of Insurance, WSIB Certificate, Health & Safety Declaration, Bonding, etc.;

"Performance Bond" means a bond issued by a surety company licensed to do business in the Province of Ontario and executed in connection with a Contract and which secures the performance and fulfillment of the undertakings, covenants, terms, conditions and agreements contained in the Contract. The City, at its option, may accept renewable bonds.

"Proposal" or "Submission" means an offer submitted in response to an invitation to a Supplier to provide Goods and/or Services, on certain terms and conditions;

"Purchase" means the acquisition of Goods and/or Services;

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"Purchase Order" or "PO" means a document issued to a Vendor formalizing the terms and conditions to Purchase Goods and/or Services and may be issued in conjunction with a formal contract or as a standalone document;

"Purchasing Card (P-Card)" means a type of credit card issued at a corporate level by an authorized lending institution. The cards are issued in an individual's name, but the charges incurred are the liability of the City;

"Purchasing Services" means the Purchasing Services Department within the City of Quinte West Finance Department;

"Real Property" includes lands, buildings, tenements and any interest, estate, right or easement in lands;

"Submission" means a Bid document received from a Supplier of Goods and/or Services in response to an advertisement requesting Bids;

"Supplier" means a person or company from whom the City may Purchase or lease Goods and/or Services;

"Trade Agreement" means an interprovincial or international trade agreement to which Ontario is a party and which contains obligations related to the procurement of goods Contracts and service and construction Contracts.

"Total Cost" or "Total Dollar Value" means the sum of all costs including any non-refundable taxes.

"User Department" means the Department within the City that requires the Goods and/or Services and for which the Department Head or their Designate is the contact for the purposes of the procurement process;

"Vendor" means a party that supplies Goods and/or Services to the City.

2. PURPOSE

Whereas, it is necessary to meet the requirements of the Municipal Act, namely Section 270 (1) wherein the City must adopt policies with respect to its procurement of goods and services;

And whereas, it is deemed desirable to establish a policy to direct the purchase of goods and services by the various departments within the City;

Schedules A, B, and C herein shall be deemed to be a part of By-Law Number 21-073

3. PRINCIPLES

Procurement is the process by which the City acquires goods, services and construction. Effective procurement is a critical support function for local governments as they responsibly manage public

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funds. The objective of this By-law is to ensure that the City conducts procurement processes that conform to the following principles:

- (a) Compliance with all applicable laws, regulations, by-laws, policies and trade treaties;
- (b) Consistency with other City by-laws, policies and procedures;
- (c) Open, fair and transparent procurement that affords equal access to all qualified suppliers;
- (d) Reciprocal non-discrimination and geographic neutrality with respect to Ontario's trading partners and avoidance of preference for local suppliers where prohibited;
- (e) Achieving best value for the City for the expenditure of public funds through consideration of the full range of procurement formats and the adoption of commercially reasonable business practices;
- (f) Effective balance between accountability and efficiency; and
- (g) Ensuring adherence to the highest standards of ethical conduct.

4. ROLES AND RESPONSIBILITIES

The City must ensure that the management of all Procurement Projects is free from actual or apparent internal conflicts of interest. All participants in the Procurement Project (including all procurement staff, all involved members of the Department, all members of the evaluation team) must ensure that there are no undeclared actual or apparent internal conflicts of interest.

The roles and responsibilities of City officers and employees are as follows:

Department Head or designate:

- (a) Identifying the need or requirement to be satisfied through a Procurement Project;
- (b) Building a Procurement Project and obtaining appropriate approval prior to proceeding to market;
- (c) Developing or identifying an approved funding source;
- (d) Researching and understanding external market conditions and potential sources of supply;
- (e) Ensuring Department compliance with all procurement policies guidelines, applicable laws; trade agreements and regulations; and
- (f) Supporting the promotion of compliance with this By-law and of sound procurement practices and supporting the provision of appropriate education and training to employees involved in Procurement Projects.

Manager of Purchasing or designate:

- (a) Researching, developing, updating and communicating corporate purchasing policies, procedures, guidelines and standards;
- (b) Advising City staff on policies, regulations and legislation affecting procurement;
- (c) Providing appropriate orientation, training and tools to employees involved in public procurement activities;
- (d) Advising on Competitive Procurement Projects;

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- (e) Monitoring compliance across the organization and reporting on performance to the Director of Finance;
- (f) Serving as the interface between the City and the supplier community during the procurement process;
- (g) Establishing supply arrangements to maximize value for the organization;
- (h) Reviewing the City's procurement patterns to identify areas where efficiency could be realized through aggregate spending;
- (i) Monitoring established internal controls for compliance to the purchasing process; and
- (j) Disposing of surplus and obsolete materials and equipment.

Chief Administrative Officer or designate:

- (a) Approving purchases per the delegation of authority; and
- (b) Providing oversight of the purchasing process.

Treasurer/Director of Finance or designate:

- (a) Providing support and oversight of the procurement process;
- (b) Ensuring proper internal controls including segregation of duties; and
- (c) Supporting the promotion of compliance with this By-law and of sound procurement practices.

Accounting Department:

- (a) Processing of all payments to vendors.

City Council

- (a) In accordance with best practices in municipal procurement, Council recognizes the need for a clear separation of political and administrative functions in relation to the City's procurement operations. It is the role of Council to establish policy and to approve expenditures through the City's budget approval process. Elected officials within the City must not have any direct or indirect involvement in any Procurement Project or decision outside of the required approvals set out in this By-law.
- (b) Approval of deviation from policy when appropriate.

5. PROHIBITED ACTIONS

- (a) Divisions of a Contract and/or Purchase Order – No employee of the City shall divide a Purchase, Contract or PO Amendment or change order to avoid the requirements of the Tender, Proposal, Quotation or a Low Value Purchase as noted herein. Nor shall the Purchases be split in order to circumvent prescribed spending authority dollar limits as outlined in this policy.
- (b) Creating a Purchase Order after the goods, service or construction has been received.
- (c) Submitting an invoice to accounts payable without a Purchase Order number (excluding Purchasing Policy

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Exemptions).

- (d) Hiring a Supplier to do work for the City regardless of the value, without first obtaining a valid Certificate of Insurance, a signed Health & Safety Declaration and WSIB Certificate of clearance where applicable.

Periodic reviews to ensure compliance will be performed and all compliance issues will be reported to the Director of Finance.

6. ENFORCEMENT

Employees shall comply with all policies and procedures contained in this bylaw and shall not deliberately violate the policy.

Employee actions that violate the core principles of the Purchasing Policy or an employee's continued non-compliance with prescribed processes will be escalated to the Director of Finance for further action and may be subject to disciplinary action up to and including termination at the discretion of management.

7. REQUIREMENTS

- 7.1 Prior to the approval of the current budget, a department may incur normal operating expenditures.
- 7.2 Council approved Departmental budget appropriations for expenditures shall be sufficient authorization for a Department to proceed with the purchase of supplies and materials or with work, subject to those limitations as established herein. Budget allocation numbers are inclusive of any applicable taxes.
- 7.3 All purchasing will be conducted by the Department Head or their designate for items as described in "Schedule A", Section 8 as applicable. Purchases as described in "Schedule A", Section 8.7, shall be made in cooperation with the Mgr. of Purchasing & Risk Management.
- 7.4 No purchases shall be made for personal items for members of Council, appointed officers or employees of the City except when authorized by City Council or to be reimbursed in full.
- 7.5 No purchases shall be made which are covered by the Municipal Conflict of Interest Act, without compliance with that Act.
- 7.6 No employee of the City of Quinte West shall have a direct or indirect interest in a company, or own a company, which sells goods or services to the City of Quinte West unless specifically authorized by Council to do so.
- 7.7 Members of Council or of a Committee, appointed officers and employees of the City are expressly prohibited from accepting, directly or indirectly, from any person, company or corporation to which any purchase order or contract is, or might be awarded, any rebate, gift, money or anything of value whatsoever, except where given for the sole use and benefit of the City.

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8. AUTHORITY AND DOLLAR THRESHOLDS

- 8.1 For the purpose of the relationship of price to the pre-authorized expenditure limit, total cost means the sum of all costs (sales taxes, excise taxes, goods and services taxes and duties) including any non-refundable taxes.
- 8.2 In the case of a multi-year supply and/or service contract, the pre-authorized expenditure limit shall refer to the estimated expenditure over the life of the contract. (includes any optional extensions)
- 8.3 Purchases may be made for items of low value by Department Head or their designate by way of a Corporate credit card (P-card) or petty cash where available. Use of in store charge accounts is discouraged and will be questioned. Management will ensure that those persons delegated purchasing authority are provided the tools to fulfill that role in accordance with the city's policy.
- 8.4 For purchases up to \$10,000.00
- Those delegated spending authority will ensure that the best value for the spend is obtained.
 - Comparison pricing should be obtained when practical.
- 8.5 For purchases between \$10,001. and \$40,000.
- Three (3) informal quotes shall be obtained if possible, either telephone or written. Notation of quotations received or explanation of why not will be included with the Invoice Payment Package.
- 8.6 For purchases between \$40,001. - \$75,000.
- Three written quotes are required.
 - Care shall be taken to ensure that each vendor is given exactly the same information. This may be accomplished by using a form created specifically for that purpose outlining specifications and requirements. These forms are project specific and will be drafted by the user department.
 - The supplier, who in the opinion of the Dept. Head or their designate, offers the best overall product or service will be selected.
 - A copy of all written quotations obtained must accompany the Invoice Payment Package. Failure to do so will result in delay of payment until proper documentation is provided by the department or it is no longer reasonable to hold the payment in fairness to the supplier. Such activities will be reported to the Director of said department and further recorded to form part of the quarterly purchasing report to committee.
 - If obtaining three (3) quotes was not possible for any reason, a written explanation shall accompany the Invoice Payment Package.
 - If a vendor other than the lowest price is selected, a written explanation will be provided.
- 8.7 For purchases in excess of \$75,001.
- A formal competitive bid process shall be used, unless considered a single or sole source procurement (refer to definitions Sch. A 13.2 and 13.3) and the process for approval of same has been successfully completed.

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- Competitive bids may be issued in conjunction with pre-qualification.
- In all cases, sealed bids shall be obtained using one of the processes described in "Schedule B" under "Calling of Competitive Bids" or when appropriate, an alternate method generally accepted in public procurement. Any deviation must be approved by the Manager of Purchasing and Risk Management or their designate.

9. PURCHASING UNDER EXISTING SUPPLY ARRANGEMENTS

- 9.1 When a pre-qualified supplier roster has been established for the provision of goods or services through a formal competitive process (i.e. Heavy Equipment with Operator), a separate additional formal process is not required provided that the total cumulative amount of each project does not exceed \$100,000. (tax excluded)
- 9.2 a. Notwithstanding the provisions of Section 5 & 6 hereof, where an emergency occurs that in the opinion of the Department Head or their designate constitutes immediate danger to health, safety, life or property, and requires the immediate procurement of goods and services, the Dept. Head or their designate may purchase such goods or services by open market procedure regardless of the amount of expenditure. While the objective generally is to obtain the lowest price, having regard for such things as local servicing, experience, availability, particular expertise, etc., and those other factors that are set out elsewhere in this Bylaw and schedules, there may be a possibility that the price obtained may not be the lowest where the Dept. Head or their designate, or the Council, as the case may be, have determined is appropriate and justifiable. Where provisions herein would under normal circumstances require written quotes or competitive bids, a full written report regarding the emergency purchase is to be submitted to the City's Chief Administrative Officer and a copy shall be attached to the Purchase Order.
- b. Clarification: The "emergency" exclusion is not to be used as justification for avoiding a competitive bidding process where a department has run out of time to effectively follow protocol unless failure to complete the project constitutes immediate danger to health, safety, life or property or is identified by Council.

10. EXEMPTIONS TO REQUIREMENT TO SOLICIT BIDS

The purpose of this section is to set out the specific items under which a bid solicitation process is not required:

- ❖ Training and Education
 - a) Conferences
 - b) Courses
 - c) Conventions
 - d) Magazines
 - e) Periodicals
 - f) Memberships
 - g) Seminars
 - h) Subscriptions pertaining to publications

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- ❖ Refundable Employee
 - a) Advances
 - b) Meal Allowances
 - c) Miscellaneous – Non-travel
 - d) Travel Expenses
 - e) Travel Allowances
- ❖ Employer's General Expenses
 - a) Payroll deduction remittance
 - b) Workers Safety Insurance Board
 - c) Medical
 - d) Licenses (vehicles etc.)
 - e) Debt payments
 - f) Grants to agencies
 - g) Damage claims
 - h) Legal settlements
 - i) Arbitration awards
 - j) Tax remittances
 - k) Charges to and from other government bodies
- ❖ Professional and Special Services
 - a) Committee fees
 - b) Honorariums
 - c) Medical professional services
 - d) Temporary help
 - e) Rail crossing maintenance provided by CN or CP
 - f) Purchases from other levels of Government
 - g) Co-operative purchasing/VOR arrangements where the City is purchasing together with other municipalities or other public authorities or governmental agencies
 - h) Purchase of real property
 - i) Financial assistance
 - j) Legal and insurance fees
 - k) Any additional exceptions, expressly permitted in any applicable Trade Agreement, as amended
 - l) Recurring maintenance contracts/agreements
- ❖ Recurring Monthly Charges for Utilities (established originally through due process)
 - a) Postage
 - b) Water, wastewater
 - c) Hydro
 - d) Gas
 - e) Telephone
 - f) Cable television
 - g) Internet services
 - h) Alarm monitoring
 - i) After hours call monitoring

11. PURCHASE ORDERS

- 11.1 Goods or services paid using the Corporate Purchasing Card do not require a purchase order. All supporting documentation will be attached to the US Bank Canada card statement and submitted monthly for payment.

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- 11.2 A purchase order **MUST** be issued for all procurement transactions unless otherwise stipulated herein and forms part of the Invoice Payment Package.
- 11.3 A Blanket Purchase Order, is an agreement between the City and a supplier under which the supplier will sell certain "like" small dollar value item(s) to the City. In keeping with the requirements of section 8.5, any one purchase order shall not exceed \$75,000.
- 11.4 A Contract Purchase Order, an agreement between the City and a supplier under which a supplier will sell only item(s) actually specified with estimated or actual quantities at specified prices for a specific time period, may be used by all Departments.
- 11.5 Notwithstanding the requirements for purchasing in accordance with the provisions contained herein, those goods and services as described in Sch. "A", Item 10 do not require the issuance of a purchase order.
- 11.6 When engagement is a result of award of a formal RFX process that results in execution of a formal contract kept on file.

12. ACCOUNTING

- 12.1 Payment of all purchases with a dollar value less than \$10,000. will be processed in order of the following preference:
 - a) City Purchasing Card – This eliminates the need for a purchase order and reduces processing time. Where P-cards are not accepted;
 - b) Issue a purchase order and payment is made by invoice/cheque/EFT;
 - c) Petty cash where available.

- 12.2 Buyers must ensure that vendors are provided with a valid purchase order number and that the purchase order number is referenced on all related documentation.

All work orders and/or packing slips must reference the purchase order number. The receiver of the goods or services will indicate by way of their signature or initials on supporting documentation that the goods or services have been satisfactorily received.

All invoices will be delivered to the Mgr. of Purchasing or their designate for daily distribution to user departments.

- 12.3 Each department will appoint the appropriate staff to coordinate the preparation of the "Invoice Payment Package" for all purchases made at the departmental level. Complete Invoice Payment Packages will be forwarded without delay to the Manager of Purchasing or their designate for processing through accounts payable.

The "Invoice Payment Package" must include:

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- Unless exempt, a fully completed purchase order whose number matches that shown on the supplier invoice;
 - The bill of lading or appropriate confirmation that the goods and/or services have been satisfactorily received and in accordance with the agreement of any terms and conditions of the purchase. The employee who received the goods or services must sign and date; and
 - For purchases between \$10,000. and \$75,000. (tax included), a copy of each of the three (3) written quotes obtained as evidence of compliance to the purchasing policy.
- 12.4 Failure to provide ALL required documentation with each invoice submitted for payment will result in the return of same to the user department to facilitate completion of package deficiencies.
- 12.5 Calls from suppliers regarding late payment of invoices may be forwarded to the departmental coordinator for follow up.

13. 13. NON STANDARD PURCHASES

- 13.1 When a Department Head or their designate intends to select a supplier to provide goods, services or construction pursuant to this section, the process to be followed is dictated by the amount of the spend. In all cases, the report (either staff report to committee or single/sole source form) will include the compelling rationale that warrants a non-competitive selection. Valid exemptions are as provided herein (Sch. "A" - Section 13.2 and 13.3)

Approval to initiate a single or sole source procurement must be given PRIOR TO deviation from this policy. In the event that Council and/or committee are at recess the Chief Administrative Officer is authorized to act on their behalf.

In the event that a project has direct relevance to a previous project, it must be determined if the previous supplier has a clear advantage in bidding on the next phase. The department head in consultation with the Mgr. of Purchasing & Risk Management may declare that a formal competition is not appropriate, and they would proceed under the terms of a "single" source project providing appropriate backup material.

Thresholds:

- \$10,000. - \$40,000. – requires completion of a single/sole source form (Appendix A) signed by the Director of the user department must accompany the invoice when submitted to finance for payment.
- \$40,001. - \$75,000. – requires completion of a single/sole source form (Appendix A) signed by the Director of the user department and the CAO. The form must accompany the invoice when submitted to finance for payment.

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- \$75,001+ - requires Council approval, either direct or through approval of Committee minutes. A detailed staff report is to be prepared utilizing the City's standard Staff Report template for single/sole purchases. Prior to presentation to Committee/Council, a copy of the report must be provided to the Manager of Purchasing & Risk or their designate for circulation, comment and acknowledgement within the Finance Dept. If the application to single/sole source is successful, a copy of the Committee Report and Council minutes where the Committee Report was approved must be included in the Invoice Payment Package when submitted for payment.

13.2 SINGLE Sourcing – The procurement of a good or service from a particular vendor *rather than* through the solicitation of bids from other vendors *who can provide* the same or equivalent item.

Purchases may be made from a Single source without quotation or competitive process where:

- a) Due to market conditions goods are in short supply. Evidence of failed attempts at sourcing must be provided.
- b) The compatibility of a purchase with existing equipment, facilities or services is of paramount consideration and that purchase must be made from a Single source.
- c) An item or service is purchased for testing or trial use.
- d) The City purchases supplies for resale.
- e) A product is leased or rented by the City with or without a credit purchase option, and such purchase option would be beneficial to the City.
- f) The consideration for a purchase is to be paid by a third party and that third party agrees to or designates the contractor.
- g) A situation creates immediate and serious need, which may not be reasonably met by any other procedure.
- h) Lack of supplies or services may adversely affect the functioning of the City, threaten public or private property or the environment, or jeopardize the health or safety of the public.
- i) It is necessary to arrange interim contractual arrangements following the expiration or breach of a contract, or the receipt of unacceptable or non-competitive bids.
- j) When no bids are received in a competitive process and timelines or circumstance are not conducive to review and reissue of the bid document.
- k) The extension of an existing Contract would prove more cost effective or beneficial. The existing contract must be identified.
- l) The procurement is for additional deliveries by the original supplier of goods or services that were not included in the initial procurement if a change of supplier for such additional goods or services cannot be made for economic or technical reasons such as

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requirements of interchangeability or inoperability with existing equipment, software, services or installations procured under the initial procurement and would cause significant inconvenience or substantial duplication of costs for the city.

- m) Software (annual renewal) may be authorized by the department director without a formal procedure if the annual increase on renewed items is less than 5% from the previous year. All Software licences must be reviewed every five (5) years with a report to Committee to justify a change or continue with the current vendor.

- 13.3 SOLE Sourcing – The procurement of a good or service that is unique to a particular vendor and cannot be obtained from another source.

Purchases may be made from a Sole source without quotation or competitive process where:

- a) There is only one source of supply for the goods or service. Supporting documentation from the manufacture to indicate that a particular item cannot be obtained from any other source must be provided by the user department and accompany the Invoice Payment Package when submitted to finance.
- b) When the required item is covered by an exclusive right such as a patent, copyright or exclusion license
- c) Where supplies are offered for sale by tender, auction or negotiation, such purchase shall be deemed to be a sole source purchase.

- 13.4 All non-standard procurement will be reported to the Corporate Finance Committee on a quarterly basis.

14. CO-OPERATIVE PURCHASING

- 14.1 The Corporation may participate with other government agencies or public authorities, or Co-operative Purchasing groups where it is in the best interest of the Corporation to do so. In this event, the purchasing policy & procedures of the lead agency shall prevail provided that those policies and procedures are consistent with the City's obligations under applicable trade agreements and the principles set out in this By-law...

- 14.2 The decision to participate in co-operative purchasing agreements will be made jointly by the Manager of Purchasing or their designate and the responsible operating Department.

15. BRAND NAMES

- 15.1 Any manufacturer's names, trade names, brand names or catalogue numbers mentioned are for the purpose of establishing and describing general performance and quality levels, unless specified otherwise. Such references are not intended to be restrictive and bids are invited on approved generic no-name equals and comparable equipment of any manufacturer. However, if a product other than the one specified is bid, it is the bidder's

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responsibility to name such product and prove to the City that said product is equal to the specifications, and to submit brochures, samples and or specifications in detail on the item(s) bid upon request. The City shall be the sole judge concerning the merits of bids submitted.

16. ACCESSIBILITY FOR ONTARIANS WITH DISABILITIES ACT, 2005

- 16.1 In acquiring goods and services for the municipality, municipal staff shall consider and have regard to accessibility issues as they may reasonably pertain to such acquisitions of goods and services and shall comply with the requirements of the City's Municipal Accessibility Plan. All new and renovated Cities owned facilities shall be designed to meet or exceed the legislation concerning people with disabilities.
- 16.2 If it is deemed not practicable to incorporate accessibility design, criteria and features when procuring or acquiring goods, services or facilities, a written report detailing the reason for the exception will be kept on file and provided to legislative authorities if requested to do so. (O. Reg. 19/11, s 5(2); O. Reg. 413/12, s 4 (2))
- 16.3 Contracts for the acquisition of goods and services shall include the following elements:
 - a) That the Vendor shall comply with the Accessibility Standards for Customer Service, O. Reg. 429-7 (appendix A) ("Regulation"), under The Accessibility of Ontarians with Disabilities Act, 2005 (AODA);
 - b) That the Vendor shall ensure that its employees are trained on providing accessible customer services. Any training or training resources must conform to the legislated requirements under the Act; and
 - c) That the Vendor shall maintain records of the training, including dates when training was provided, the number of employees who received the training and individual training records. Where requested by the City, the person, business or organization shall provide written proof, as well as any documentation regarding training policies, practices and procedures to the City.

17. ACCESSIBLE DOCUMENTS/COMMUNICATION

- 17.1 Any Studies, Reports and/or Plans that result from this project must be created and provided to the City in an accessible format. Documents created, adapted or otherwise presented on behalf of the City or to City employees will be made available in accessible formats as required in the AODA and O.Reg. 191/11, for the lifespan of the document.
- 17.2 Unless determined by the City to not be practicable, contractor's/service providers shall ensure that any information, products, deliverables and/or communication (as defined in the Integrated Regulation) produced pursuant to a Contract shall be in conformity with Word

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Wide Web Consortium Web Content Accessibility Guidelines (WCAG) 2.0 Level AA and shall be provided in accessible Word, Excel, PowerPoint, PDF etc.

18. ENVIRONMENTAL STEWARDSHIP

Procurement documents will consider the city's goals with regard to environmental considerations as described in the Strategic Plan adopted by Council, and will evolve as strategic direction, delivery and action plans are further developed.

19. IN HOUSE BIDS

- 19.1 In House Bidding is a process that allows for the comparison of costs of having City staff completes a task versus having an outside source provide that same service. In general, when a competitive bid is called, the intention is to outsource the work. The City reserves the right however to consider completion of the work utilizing City staff when competitive bids are all over budget, or when specifically stated in the competitive bid document.

20. DISPOSAL OF SURPLUS ITEMS

- 20.1 Each department shall submit to Purchasing from time to time and upon request, a written list of assets which are deemed surplus, have become obsolete, worn out, damaged or are considered scrap. For the purposes of clarity, these assets are to include vehicles and equipment normally replaced on a scheduled basis and may be considered for 'trade in' or replacement.
- 20.2 All obsolete, damaged or surplus property shall first be offered to other Departments.

All obsolete, damaged, surplus or scrap assets not required by any City Departments shall be accumulated by the City and shall be disposed of by any of the following:

- i. Public auction, (to be sold to the highest bidder);
- ii. Sealed Bid by advertised sale by public Bid, (to be sold to the highest bidder);
- iii. Removal to a garbage or recycling disposal unit or an approved disposal site;

Net proceeds from the disposal of surplus assets shall be transferred to the appropriate user dept. account

No surplus assets shall be sold directly to an Employee, although this does not prohibit any Employee from purchasing City surplus assets being sold through a public auction or publically advertised bid process.

Exceptions to this by-law for the disposal of surplus goods may be authorized by Council in circumstances where an asset may be considered for donation to a charitable organization where that asset may have a specific use by the charitable organization.

21. REVIEW OF BYLAW

21.1 This Bylaw will be reviewed on a periodic basis to evaluate the effectiveness of policy and procedure. It is anticipated that reviews will be conducted every five years or more frequently if required.

SCHEDULE "B"

PROCEDURES/PROCESSES

1. CALLING OF COMPETITIVE BIDS

- 1.1 The calling of competitive bids shall be the responsibility of the Mgr. of Purchasing & Risk Management or their designate in response to a request from a Dept. Head or their designate.
- 1.2 In an effort to facilitate a thorough understanding of the nature of the project, the Mgr. of Purchasing & Risk Management will be advised in advance of any meeting wherein the scope of the project and the means of evaluation will be discussed and/or determined.
- 1.3 The Mgr. of Purchasing & Risk Management will be given a minimum of two weeks or ten working days, once specifications have been provided, to prepare the document for release. In the event that a two week turnaround is not possible due to workload or unforeseen circumstances, notification will be given to the Director of Finance and the user department as soon as that becomes apparent.
- 1.4 There should be a minimum of fifteen (15) calendar days between the first day of advertising and the closing date. Placement of advertisements will be the responsibility of the Mgr. of Purchasing & Risk Management or their designate. The first day that the project is posted to the City's website will be considered day one of the required 15 day notification period
- 1.5 The Mgr. of Purchasing & Risk Management or their delegate will be responsible for the distribution of all bid documents, including those prepared by outside sources.
- 1.6 A comprehensive numbering and tracking system will be maintained by the Mgr. of Purchasing & Risk Management or their designate for all competitive bids issued by the City.
- 1.7 When feasible, all bid information will be accessed through the city's electronic bidding platform.

2. PREPARATION OF BID DOCUMENTS

- 2.1 Those preparing specifications must be aware of the conflict of interest created when a consulting organization is involved in the development of the competitive documents and also has the ability to fulfill the procurement needs that are being contemplated in those competitive documents.

"Restricted Parties" include any person who would be defined to be in a conflict of interest under the provisions of the Municipal Act or any other applicable legislation or under the City's Conflict of Interest Policy and any parties who have had direct, recent or current involvement in any selection process in respect of the purchase in question.

Restricted Parties are not eligible to participate as an employee or advisor, consultant, investor, member or in any other capacity with any proponent under any proposed purchase with the City. The City may, in its sole and absolute discretion, disqualify any potential purchaser who uses a Restricted Party as part of any potential purchase.

- 2.2 Bid documents prepared in house shall be prepared by the Mgr. of Purchasing & Risk Management or their designate in conjunction with project specific information supplied by the Department Head or their designate. All competitive bid packages must be approved by both the Mgr. of Purchasing & Risk Management or their designate and the Dept. Head or their designate prior to release to the public.
- 2.3 All bid documents will clearly define any pre-qualification system if used and any evaluation or scoring system to be used.
- 2.4 Bid documents prepared by outside sources, i.e. Consultants, must be reviewed by the Mgr. of Purchasing & Risk Management or their designate for compliance with the City's Policies and Procedures, before release to the public. The Mgr. of Purchasing & Risk Management or their designate will be responsible for document distribution of all bid documents.
- 2.5 Appropriate levels of Insurance coverage for each project will be determined on an individual basis.
- 2.6 When feasible, all bid documents will be posted on the City's bidding system website. In the event of any disputes regarding wording differences in the signed contract and the originally issued bid document on file in Purchasing, the originally issued bid document will prevail.
- 2.7 Suppliers, potential suppliers and consulting firms shall not be requested to expend time, money or effort to design or in developing specifications or otherwise help define a requirement beyond the normal level of service expected. Should such extraordinary services be required, the Mgr. of Purchasing & Risk Management will be advised. If there is no alternative but to request such services, the company providing same, shall be compensated at a predetermined fee. The resulting specifications shall become the property of the Corporation for use in obtaining competitive bids. Suppliers or Consultants who provide Design services and/or specifications for work to be tendered or quoted shall not be permitted to submit a bid for said work unless it is agreed between the department and purchasing that the process is fair, open and transparent and the provider is not at an advantage over other potential bidders.

3. HEALTH AND SAFETY

- 3.1 Prior to release of a bid document, all health and safety considerations shall be addressed.

- 3.2 Contractors providing goods and services to the City of Quinte West must comply with and be held accountable for meeting the requirements of the Occupational Health and Safety Act
- 3.3 The City's Health & Safety Policy requirements, as provided by the City Health and Safety and Employee Services Officer, will be included as part of each bid package for construction services.

4. GOVERNMENTAL REQUIREMENTS

Respondent's shall obey all Federal, Provincial, and Municipal Laws, Legislation, Acts, Ordinances, Regulations, Orders in Council and By-Laws, which could in any way pertain to the work outlined in the Contract or the Employees of the Bidder. If the Contractor shall discover any provisions in the drawings, specifications or contract that are contrary to or inconsistent with any law, rule or regulation, they shall at once report it to the City's Representative, in writing

5. FREEDOM OF INFORMATION

- 5.1 Release of information contained within an RFx response will be subject to the *Municipal Freedom of Information and Protection of Privacy Act*. Extracts of documents submitted and the costs of their solutions may be used as part of a public document for reporting purposes. Respondents must indicate in their submission which, if any, parts of their response are exempt from disclosure due to proprietary information.
- 5.2 Requests for information other than standard public information (i.e., names of those submitting RFx, total amount of bid not individual line costs) must be dated and submitted in writing to the Purchasing Supervisor, after which time the municipality has thirty days to respond.

6. ADDENDA

- 6.1 Addendum/Addenda, if required, will be issued by Purchasing Services and shall form part of the Bid Document. Respondents shall acknowledge receipt of any addenda when submitting their.

7. SUBMITTING A RESPONSE TO A BID OPPORTUNITY

- 7.1 All bids will be issued from and received back at the Municipal Office located at 7 Creswell Drive, Trenton Ward of the City of Quinte West utilizing digital based system with paper based method as a backup.
- 7.2 Unless otherwise stated, all Respondent's shall have a Bidding System Vendor account and be registered as a Plan Taker. This will enable the Bidder to download the clean copy of the Bid Call Document, receive project specific notifications such as addendum and to submit their bid electronically through the Bidding System. In addition, it facilitates a full digital report at closing.

- 7.3 Late submissions will not be accepted by the Bidding System or otherwise.
- 7.4 The City reserves the right, in case of problems with the electronic bidding system, to change, at any time, to a paper-based bidding system with respect to part or all of this process.
- 7.5 RFX opening shall take place as soon as practical after the closing time. RFXs received in the Bidding system are unofficial until they have been reviewed by the City for compliance.
- 7.6 The Corporation of the City of Quinte West reserves the right to accept or reject all or part of any Bid (if the Bid Document states that Part Bids will be accepted by the City), the right to accept other than the lowest Bid, and the right to cancel this Bid Call at any time without obligation

8. WITHDRAWAL PROCEDURE

Respondent's may edit or withdraw their Bid Submission prior to the closing time and date. However the Bidder is solely responsible to:

- i) make any required adjustments to their Bid; and
- ii) acknowledge the addendum/addenda; and
- iii) Ensure the re-submitted Bid is **RECEIVED** by the Bidding System no later than the closing date and time

9. TYPES OF FORMAL PROCESSES

- 9.1 Request for Proposal (RFP) – the goal of which is to implement an effective, objective, fair, open, transparent, accountable and efficient process for obtaining unique proposals designed to meet broad outcomes to a complex problem or need for which there is no clear or single solution. Award is based on the proposal that earns the highest score and meets the requirements specified in the competition based on qualitative, technical and pricing considerations. Evaluation criteria will be identified in the bid document.

A Two-Envelope Approach may be utilized with RFP's for fair, unbiased evaluation. In the two envelope approach, qualitative and technical information is evaluated first and pricing information in a separate envelope is evaluated thereafter, only if the qualitative and technical information meet a minimum score requirement that is determined prior to the release of bid documents.

- 9.2 Request for Tender – the goal of which is to implement an effective, objective, fair, open, transparent, accountable and efficient process for obtaining competitive bids based on precisely defined requirements for which a clear or single solution exists. Award is based on the lowest qualified bid that meets the requirements specified in the bid documents.

- 9.3 Request for Expression of Interest – a focused market research tool used to determine vendor interest in a proposed procurement. It may be issued simultaneously with a Request for Qualifications when the proposed procurement is well defined and the purchaser has clear expectations for the procurement.
- 9.4 Request for Information – is used prior to issuing a competitive document as a general market research tool to determine what products and services are available, scope out business requirements, and/or estimate project costs.
- 9.5 Request for Pre-qualification
- Request for Pre-qualification is a procurement process used to pre-qualify vendors for subsequent participation in the competitive bid process or in some cases to establish a Call Out Roster. Responses from proponents are evaluated against selection criteria, both qualitative and technical, set out in the solicitation, and a list of pre-qualified proponents is generated. The information collected in this process may be used to "short list" potential bidders for supplying goods or services where the timeframe is tight or in the best judgment of the Dept. Head or their designate and the Mgr. of Purchasing & Risk Management or their designate deems it in the best interest of the City to do so. The information collected will be kept on file by the Mgr. of Purchasing & Risk Management.
 - When used as a tool to prequalify bidders for further participation in a subsequent formal bid opportunity, the Dept. Head or their designate has delegated authority to select a minimum of three (3) vendors from this list for invitation in a competitive bid process. When in the opinion of the Dept. Head or their designate there are less than three qualified vendors, a report will be written detailing the circumstances of that decision and less than three (3) vendors may be contacted with the approval of Council. Vendors not participating in the pre-qualification process will be ineligible to compete for contracts to supply goods or services where a prequalification has been performed.
 - When used as a tool to establish a Call Out Roster, those Respondents who are fully compliant with the requirements of the RFPQ will be added to the call out list.
 - Selection and evaluation criteria, both qualitative and technical, will be used in determining which of the pre-qualified components is actually awarded any contract or proposal, notwithstanding pre-qualification.

10. GUARANTEES OF CONTRACT EXECUTION AND PERFORMANCE

- 10.1 The Department Head or their Designate and Manager of Purchasing may require that a Bid be accompanied by a Bid Deposit to guarantee entry into a Contract.
- 10.2 In addition to the requirement of "Official Documents", the successful Bidder may be required to provide:
- (i) a Performance Bond to guarantee the faithful performance of the Contract,
 - (ii) a Labour and Material Bond to guarantee the payment for labour and materials to be supplied in connection with the contract
 - (iii) and/or an Irrevocable Letter of Credit.
 - (iv) All construction projects as defined by the Construction Act, as amended, require mandatory Surety Bonds as prescribed in the regulation.
- 10.3 The Dept. Head or their designate and the Mgr. of Purchasing & Risk Management shall select the appropriate means to guarantee execution of and performance of the contract. Means may include one or more of, but are not limited to, financial bonds or other forms of security deposits, provisions for liquidated damages, progress payments and holdbacks.

11. PARTICIPATION IN THE COMPETITIVE PROCESS

- 11.1 The integrity of the process is of the utmost importance.
- 11.2 Inquiries and/or clarifications will be accepted ONLY in writing through the Mgr. of Purchasing & Risk Management or their designate within the timelines as identified in the bid document.
- 11.3 Responses will be provided in writing through the Mgr. of Purchasing & Risk Management.
- 11.4 No verbal interpretation will be effective to modify any component of the tender or any contract.

12. LOBBYING

In order to ensure fairness to all Respondents, the City endeavors to prevent unfair advantage created by lobbying. Therefore, the City reserves the right to reject the RFX submission, at its sole discretion, any Respondent engaging in lobbying in connection with a competitive bidding process between a date that is no later than the date of issue of the RFX and the date of signing of a contract between the City and the Successful Respondent.

Lobbying may include any activity that the City, in its sole discretion, determines has or may give an unfair advantage to one Respondent relative to other Respondents. Without limiting the foregoing, lobbying may include:

- a) Verbal or written communication with or to any City staff other than those identified as contacts in this document.
- b) Verbal or written communication with or to any City Council member or the members of Council of its member municipalities.
- c) Verbal or written communication with or to the Member of Parliament, Members of Provincial Parliament or any related government ministries.
- d) Verbal or written communication with or to any staff of the Premier's Office, Cabinet Office or any other member of Cabinet or equivalent federal counterpart.
- e) Direct or indirect requests by the Respondent to any person, organization or group to provide a written or verbal expression of support not required by this competitive bidding process to any member of City staff or Council.
- f) Verbal or written communication with or to media organizations.
- g) Direct or indirect offers of gifts of any kind or value to any City representative or personnel.

13. EXCLUSION OF BIDDERS IN LITIGATION

13.1 The City may, in its absolute discretion, reject a Tender or Proposal submitted by the bidder if the bidder, or any officer or director of the bidder is or has been engaged, either directly or indirectly through another corporation, in a legal action against the City, its elected or appointed officers and employees in relation to:

- I. any other contract or services; or
- Ii any matter arising from the City's exercising of its powers, duties, or functions.

13.2 In determining whether or not to reject a quotation, tender or proposal under this clause, the City will consider whether the litigation is likely to affect the bidder's ability to work with the City, its consultants and representatives, and whether the City's' experience with the bidder indicates that the City is likely to incur increased staff and legal costs in the administration of the contract if it is awarded to the bidder.

14. EXCLUSION OF BIDDERS DUE TO PAST POOR PERFORMANCE

14.1 The Dept. Head or their designate shall monitor the performance of all procurement Contracts and shall ensure that where the performance of a supplier has been unsatisfactory in terms of failure to meet Contract specifications, terms and conditions or for Health and Safety, environmental or other violations, details of each event are clearly documented with dates and times. A copy of such documentation will be provided to the Manager of Purchasing & Risk Management.

- 14.2 Where it is found that a supplier has performed poorly or below Contract requirements, the user department Director in consultation with the Mgr. of Purchasing & Risk Management shall make a recommendation to Council about ways to deal with such performance.
- 14.3 Past experience, including poor past performance may be a factor in awarding contracts. The City reserves the right to disqualify parties whose past performance was unsatisfactory.

15. SUB-CONTRACTING

- 15.1 The selected Respondent, who has signed a Contract with the Corporation, shall be considered to be the Prime Contractor and shall keep the operation totally under their control and shall not assign, transfer or Sub-Contract any portion without the written approval of the Corporation and only under exceptional circumstances shall the Corporation approve the assigning, transfer or Sub-Contracting of more than 49% of the Total RFx amount. The consent of the Corporation for such assignment or Sub-Contracting shall not relieve the Prime Contractor from completion of the project in accordance with the terms of the Contract. Where a Respondent submits a joint RFx or proposes a partnership arrangement, the Respondent must assume the lead or Prime Contractor position. As such, the Respondent will have the overall responsibility for completing the project as proposed.
- 15.2 The City reserves the right to reject a Sub Contractor for reasonable cause as determined at the city's sole discretion. Upon such rejection, the Bidder shall be required to propose an alternate Sub Contractor without resulting change to the Bid.

16. BID OPENING

- 16.1 Utilizing the city's bidding platform, results of the opening will be made publicly available as soon as feasible following the closing.

17. ONLY ONE BID RECEIVED OR NO BIDS RECEIVED

- 17.1 In the event that only one bid is received in response to a competitive bid, the Mgr. of Purchasing & Risk Management or their designate along with the Dept. Head or their designate will determine whether or not to proceed with the opening. If in their opinion, using criteria based on the number of bids which might reasonably be expected on a given type of project, additional bids could be secured, the bid may be returned unopened and the bidder advised that the City may be recalling the tender at a later date.

17.2 In the event that only one bid is received in response to a competitive bid call, and the Mgr. of Purchasing & Risk Management or their designate along with the Dept. Head or their designate proceed with the opening and the bid is found to be unacceptable, it will be rejected and the process as described in 14.3 will be initiated.

17.3 If there are no responses to an RFx:

- Where no bids are received in response to an RFx made in accordance with standard competitive bid procedures, the Department Head in cooperation with the Manager of Purchasing & Risk Management will take action in an attempt to determine why. This may include reaching out to non-responsive plan takers.
- A review of the scope of work will be undertaken by the user department to determine the best manner in which to proceed. If after this review no significant changes are identified, and time permits, the RFx will be re-advertised and put to the marketplace again. Where there are issues with timing or other circumstances where sole sourcing is the optimum manner in which to proceed, the project may continue utilizing the procedure for a Single Source.

18. NO ACCEPTABLE BID OR EQUAL BIDS RECEIVED

18.1 Where bids are received in response to a bid solicitation but exceed project budget, are not responsive to the requirement, or do not represent fair market value, a revised solicitation may be issued in an effort to obtain an acceptable bid.

18.2 The Dept. Head or their designate and the Mgr. of Purchasing & Risk Management jointly may waive the need for a revised bid solicitation and enter into negotiations with the lowest responsive bidder, or the highest responsive bidder for a revenue-driven bid selection emanating from a bid solicitation, under the following circumstances:

- i. The total cost of the lowest responsive bid is in excess of the funds appropriated by City Council for the project or the highest responsive bid revenue is less than approved in departmental estimates where reserved bid amounts exist and,
- ii. The Dept. Head or their designate and the Mgr. of Purchasing & Risk Management agree that the changes required to achieve an acceptable bid will not change the general nature of the requirement described in the bid solicitation

18.3 In the case of building construction contracts, where the total cost of the lowest responsive bid is in excess of the appropriation made by City Council, negotiations may be made if performed in accordance with the guidelines established by the Canadian Construction Association and published in their CCDC documents.

- 18.4 In the case of road construction contracts, where the total cost of the lowest responsive bid is in excess of the appropriation made by City Council, negotiations may be performed if in accordance with the guidelines established by the Ontario Provincial Standards Specifications. If the project cannot be negotiated to bring the total contract within budget, the Department Head may take a report to their Committee requesting permission to reallocate funds from another approved project. If successful, the Director of Finance will be notified to facilitate proper accounting functions.
- 18.5 The City of Quinte West has the right to cease negotiations and reject any offer at any time.
- 18.6 If two equal bids are received, the following items will be taken into consideration:
- i. Prompt payment discount
 - ii. When delivery is an important factor, the bidder offering the best delivery date will be given preference
 - iii. A bidder in a position to offer better after sales service, with a good record in this regard shall be given preference,
 - i. A bidder with an overall satisfactory performance record shall be given preference over a bidder known to have an unsatisfactory performance record or no previous experience with the City
 - ii. All other things being equal, preference will be given to the vendor whose place of business is local, in order of City, Province & Country
 - iii. If (i) through (v) do not break the tie, equal bidders shall be entered into a draw. The names of the tied bidders shall be placed in a container and the tender to be awarded shall be drawn by a member of council. The time and location of the draw shall be set by the Mgr. of Purchasing & Risk Management or their designate, and the bidders shall be notified in order that they may be present

19. PRELIMINARY CHECKING OF SUBMISSIONS

- 19.1 Following the opening, the Manager of Purchasing & Risk Management or their designate will prepare the Record of Minutes and Results of Preliminary Evaluation to determine compliance to all mandatory criteria. This report will be forwarded to the Dept. Head or his/her designate for further consideration by the evaluation committee
- 19.2 Standard mandatory criteria wherein non-compliance with WILL result in rejection include but are not necessarily limited to the following;
- i. bid form must be signed as necessary;
 - ii. the correct bid form, if provided, must be used;
 - iii. the bid envelope must be time and date stamped prior to the contract closing time;
 - iv. the bid deposit in the proper amount, if required, must be included with submission; and

- v. the bid is free of restrictions or alterations
- 19.3 If there is an error or incomplete material on any other portion of the bid, then the decision as to whether or not to accept or reject the submission shall be at the discretion of the Dept. Head or his/her designate and the Mgr. Of Purchasing & Risk Management. That decision will be based upon the following considerations:
- i. Is the intention of the bidder clear?
 - ii. Has the bidder made a conscientious attempt to comply with the bid requirements?
 - iii. Is it fair to all bidders to accept the tender or has the bidder gained an unfair advantage?
- 19.4 If the amount bid for a unit price item does not agree with the extension of the estimated quantity and the bid unit price, or if the extension has not been made, the unit price shall govern and the total price shall be corrected accordingly.
- 19.5 If both unit price and total price are left blank, then both shall be considered as zero.
- 19.6 Following completion of preliminary check procedures, (section 17), bidding infractions shall be noted on the Record of Tenders Opened. This notation must clearly state the reason the bid is noted as incomplete or rejected.
- 19.7 Photocopies of all acceptable submissions (or best three) will be forwarded to the Dept. Head or his/her designate for further consideration by the Evaluation Committee. Original documents will remain in the possession of the Purchasing Coordinator or his/her designate to maintain the integrity of the process.

20. EVALUATION PROCESS

- 20.1 All responses to a competitive bid process will first be reviewed by the Mgr. of Purchasing & Risk Management or their designate to ensure compliance to both standard mandatory criteria and project specific mandatory criteria; checking of costs; and verification of extensions, additions etc. All submissions determined to be qualified for further consideration will be forwarded to the appropriate Dept. Head for further review in determining a Respondents understanding of and capability of performing the works or services requested. Those found to be non-compliant will be rejected by the Mgr. of Purchasing & Risk Management or their designate at this point.
- 20.2 Responses to a Request for Proposal will undergo further evaluation incorporating the scoring and weighting criteria as presented in the original RFP document. This scoring will be carried out by the evaluation committee. The evaluation committee will be comprised of a mix of staff and/or department committee members as deemed appropriate by the Dept. Head or their designate for the

project. A minimum of two people will review and score each proposal.

- 20.3 Responses to a Tender Call are subject to the standard preliminary evaluation to ensure compliance to both standard mandatory criteria and project specific mandatory criteria; checking of costs; and verification of extensions, additions etc. All submissions determined to be qualified for further consideration will be forwarded to the appropriate Dept. Head for further review in determining a Respondents understanding of and capability of performing the works or services requested in a fully qualified manner.
- 20.4 A copy of the completed evaluation forms along with committee recommendation will be forwarded to the Mgr. of Purchasing & Risk Management to be kept in a confidential file and utilized for debriefing and/or dispute resolution if necessary.
- 20.5 The Dept. Head or their designate shall prepare a recommendation to the appropriate Committee or to Council if required, otherwise direction will be provided the Mgr. of Purchasing & Risk Management in writing to proceed with award through the issue of a Notification of Intent to Accept.
- 20.6 If a Request for Proposal or a Tender Call can be awarded within the confines of the Council pre-approved budget amount and the scope of the project, approval at Dept. Head level is sufficient to proceed with official award. If a Tender Call is to be awarded to other than the lowest qualified bidder, the decision must be approved at Council level prior to award.
- 20.7 Immediately following the evaluation of tenders, the Dept. Head or their designate shall notify the Mgr. of Purchasing & Risk Management in writing that the lowest two bids are in order, and that the bid deposit, if applicable, other than the lowest qualified and second lowest qualified bidder should be returned.

21. RESERVATION OF RIGHTS BY THE CORPORATION

Without limiting the generality of the anything else contained in this RFx, the City reserves the right at any time in its sole discretion to:

- a) Reject any Bid Submission, whether or not complete and whether or not it contains all the required information;
- b) Require clarification from a Bidder on any portion of this RFx;
- c) Request additional information on any Bid submission;
- d) Reject any and all Bid Submission without any obligation of compensation or reimbursement to the Bidder;
- e) Invalidate this RFx and issue a replacement RFx for this work or work of a similar nature or portion thereof;

- f) Award a Contract to any Responsive Bidder;
- g) Award a contract in its entirety or in part, to one or more Respondent's;
- h) Not award any contract to any Responsive Bidder;
- i) Negotiate with any one or more of the Vendors with respect to any aspect of the Request for RFx, this process, mandatory requirements or otherwise with respect to the RFx or any contract arising out of the RFx;
- j) Not select the lowest Bidder for Contract award (1) even if it is the only Bid received or (2) if selecting another Bid would be in the best interests of the City, as determined by the City in its sole discretion;
- k) Contact and consider references as part of the evaluation process;
- l) Not award the contract to any Bidder who does not (if requested by the City) furnish evidence, satisfactory to the City, that it has experience in performing the type of Work proposed and that it has sufficient capital and equipment to enable it to successfully complete the work in a timely manner;
- m) The City may, in its sole and absolute discretion, independently verify any information obtained in any submission.
- n) The City reserves the right without prejudice to accept or reject any or all submissions and to waive technical defects, irregularities, formalities and omissions at its sole discretion, if in doing so, the best interest of the City will be served.
- o) Alter the RFx schedule, bid call process or procedures or objectives, or any other aspects of this RFx;
- p) The City reserves the right to cancel this RFx without case and without incurring any liability whatsoever if deemed in the best interest of the City to do so.
- q) The City reserves the right to terminate the contract without notice if due to non-performance, unsatisfactory service or unsatisfactory performance.
- r) The City reserves the right to call in alternate services if the successful Bidder is unable to provide the service when requested.
- s) Cancel this RFx if all Bid prices exceed the City's allocated or estimated budget for the Work;
- t) In the event that the Bid price submitted by the lowest Responsive Bidder exceeds the Owner's budget for all of the Work, the Owner reserves the right to (where in the opinion

of the Owner it is possible to do so) award part of the Work to that Bidder and;

- u) Not award a Contract to a Bidder which Owner, acting reasonably, feels will not be able to meet Work specifications and/or performance standard and/or would be unduly hard to manage from a contract management/administration perspective,

All notwithstanding any custom of the trade to the contrary or anything else contained in the Bid Documents.

22. CONTRACT AWARD/CONTRACT EXECUTION AND PERFORMANCE

- 22.1 In the event that it is deemed beneficial to listen to delegations from bidders, every bidder must be given an equal opportunity to present themselves unless a short listing is provided for in the tender document. Individual written invitations, stating time, date and purpose of the presentation, must be extended.
- 22.2 Upon the award of the contract, the Mgr. of Purchasing & Risk Management or their designate shall without undue delay send a "Notification of Intent" to the successful bidder advising that their bid has been accepted for award consideration.
- 22.3 The successful bidder has ten (10) working days from official notification to produce evidence of appropriate insurance, performance surety's if applicable, executed contract or agreement etc. to the Mgr. of Purchasing & Risk Management unless otherwise agreed. Under no circumstance will the successful bidder commence work until the appropriate documentation has been submitted and acknowledged by the City. Non-compliance will result in a stop work order.
- 22.4 If a formal contract other than the agreement in the bid document is required, it shall be prepared by the Mgr. of Purchasing & Risk Management or their designate and submitted to the contractor for execution unless otherwise directed. At that time, the Clerk or their designate and Mayor will be asked to execute the document and the City seal will be applied.
- 22.5 Where Engineering contracts are entered, the engineering firm will be responsible for preparation of the standard MEA/CEO agreement unless otherwise agreed to.
- 22.6 Once the contracts, bonds, et cetera, of the awarded bidder have been signed and found acceptable by the Dept. Head or their designate and the Mgr. of Purchasing & Risk Management, the bid deposit if provided shall be returned.

- 22.7 If the contract has been awarded and the successful bidder fails to provide a contract bond, cash or other acceptable collateral within the specified time, the Department Head or their designate and the Mgr. of Purchasing & Risk Management or their designate may grant additional time to fulfill the necessary requirements or may recommend one of the following:
- i. That the contract shall be awarded to the next best responsible bidder
 - ii. That the contract shall be cancelled
- 22.8 In either of the above cases, any bid deposit of the successful bidder may be forfeited. If the contract is to be awarded to the next best responsible bidder, their deposit shall be retained until he/she has actually executed the written contract to the satisfaction of the Department Head or their designate.
- 22.9 If the next best responsible bidder fails, or declines to execute the contract if awarded to him/her, their deposit shall also be forfeited.

23. SUPPLIER RELATIONS AND CONTRACT MANAGEMENT

Once the contract has been signed, it is essential that it be properly managed. Departments are responsible for all aspects of contract management. The following principles must be followed with respect to the management of all City contracts:

23.1 Scope Management

The scope of each contract must be appropriately managed to ensure that all deliverables are properly received, payments are appropriately made, all timelines are met and any extension options are appropriately exercised.

23.2 Payment to Suppliers

Departments are responsible for ensuring that all payments are made in accordance with the contract and for reviewing and approving supplier invoices.

Unless otherwise agreed or subject to the Construction Act schedule, standard terms are Net 30 days.

Where a contract is subject to incremental payments, payment certificates will be prepared by the department responsible for the project utilizing the standard Quinte West format.

All vendors are encouraged to accept Electronic Funds Transfer as a means of payment. Failure to complete and return the required EFT forms may result in delay in payment.

23.3 Scope Changes and Contract Amendments

Scope changes and contract amendments are to be managed prudently when unforeseen events arise when a project is underway:

- The supplier must submit a change order request including rationale, cost and timing implications;

- The change must be approved by the City prior to commencement of the work;
- The change must be funded within an approved budget;
- A copy of each change order must be provided to the Manager of Purchasing & Risk and becomes part of the project master file;
- Change orders are to be accounted for on any Payment Certificate submitted for payment.

23.4 No amendment or revision to a contract shall be made unless the amendment is in the best interest of the City.

23.5 Where expenditures for the proposed amendment combined with the price of the original contract exceeds City Council approved budget for the project, a report prepared by the Dept. Head or their designate shall be submitted to the Director of Finance and City Council recommending the amendment and proposing the source of financing.

24. EXERCISE OF CONTRACT RENEWAL OPTIONS

- 24.1 Where a contract contains an option for renewal, the Dept. Head or their designate may exercise such option provided that all of the following apply:
- i. The supplier's performance in supplying the goods, services or construction is considered to have met the requirements of the contract
 - ii. The Dept. Head has determined that the exercise of the option is in the best interest of the City.
 - iii. Funds are available in appropriate accounts within City Council approved budget including authorized revisions to meet the proposed expenditure.
 - iv. The Dept. Head shall provide a written explanation as to why the renewal is in the best interest of the City and include comment on the market situation and trend.
- 24.2 When a specific timeframe for a renewal option is not written in the original bid document, the renewal period shall not exceed the original contract duration.

25. ACCESS TO INFORMATION

- 25.1 The disclosure of information received relevant to the issue of a bid solicitation or the award of contracts emanating from bid solicitations shall be made by the appropriate offices in accordance with the provisions of the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, as amended.

26. DEFAULT AND NON-PERFORMANCE

- 26.1 The City reserves the right to determine, in its sole and unfettered discretion, non-performance of the contract, including the level of quality of Goods and/or Services provided, and further reserves the right to cancel the contract or any part of the contract if the Bidder fails to correct deficiencies upon ten (10) calendar days' written notice or at the City's discretion. The City's evaluation and determination in regard shall be final and not reviewable by any court or tribunal.
- 26.2 In the event that the Bidder fails or neglects to comply with any condition set out in the contract, the Contract may be unconditionally cancelled by the City without notice and without penalty to the City.
- 26.3 Any termination of the contract by the City, as aforesaid, shall be without prejudice to any other rights or remedies the City may have.
- 26.4 If the City terminates the contract, it is entitled to:
- take possession of all of the work in progress, materials and construction equipment then at the project site (at no additional charge for the retention or use of the construction equipment), and finish the work by whatever means the City may deem appropriate under the circumstances;
 - withhold any further payments to the company until the completion of the work and the expiry of all obligations under the Correction of Defects Clause;
 - recover from the company loss, damage and expense incurred by the City by reason of the company's default (which may be deducted from any monies due or becoming due to the company, any balance to be paid by the company to the City.)
- 26.5 The City reserves the right to disqualify for an indeterminate period (minimum two (2) years), the name of any Bidder for breach of terms and conditions of this RFX or for unsatisfactory performance of the Contract. This disqualification will apply to the terminated Bidder as a bidder on future quotations, RFX or request for proposal or a sub-trade to a bidder on future quotations, RFX, or request for proposal issued by the City. The City further reserves the right to publish the names of all disqualified Respondent's in any future quotation, RFX or request for proposal.

27. DISPUTE RESOLUTION

- 27.1 All potential contract disputes with suppliers must be managed in accordance with the dispute resolution mechanisms outlined in the contract. Where a contract is silent on dispute resolution, Departments should ensure

that potential disputes are proactively managed and appropriately escalated. Written copies of all communications and correspondence with suppliers concerning a contract dispute must be maintained by the Department.

28. PERFORMANCE TRACKING

- 28.1 Departments must also ensure that the performance of all suppliers is appropriately monitored and recorded. Departments must maintain written records of any performance issues, including correspondence or notifications to suppliers. Ensuring that performance problems are addressed quickly and effectively and that a written record is kept of all matters connected with performance tracking is essential to proper contract management. Further, Departments must conduct a performance evaluation as per the vendor performance procedure after the expiration or termination of every contract in accordance with the criteria and forms prescribed by Purchasing. These records will form part of the main Purchasing file.

SCHEDULE "C"
PURCHASING CARD PROGRAM

1. INTRODUCTION

1.1 Purpose and Scope

The purpose of this policy is to ensure that responsibilities are clearly defined and appropriate authority is delegated within an outline of procedures for the use and control of the City of Quinte West Purchasing Card Program (PCP)

The PCP is established as a method of making City purchases; on line purchases; and or US funds purchases in accordance with the purchasing policy of the City of Quinte West.

Charges are processed when the card is submitted for payment and suppliers are paid within their established terms with the US Bank Canada.

1.2 Background

Department employees, who occupy positions with delegated purchasing authority by Dept. Heads, are authorized to use the Purchasing Card to purchase goods and services (amount on each card determined by thresholds established by Dept. Head) in support of sound business practices, with a monthly limit to be determined for each card holder.

The intended benefits of the Purchasing Card are: reduce the costs of procurement and supplier payment; improved ease and expediency of government purchasing; improve the timeliness of supplier payments; improve control over department purchasing; and improve management reporting on department purchasing.

1.3 Authority

Department Heads have the authority to empower employees within their departments or areas of responsibility.

2. POLICY

2.1 Administration

a) The Mgr. of Purchasing & Risk Management or their designate is responsible for the administration of the Purchasing Card Program within the City of Quinte West.

b) Each Purchasing Card will have a unique number, and will be issued in the name of the City of Quinte West and the name of the employee who has been authorized to use that Card. The card is not transferable to any other employee, even if that other employee is also authorized to use a Purchasing Card on behalf of the City of Quinte West. Improper card use will result in the cancellation of the employee's card.

c) The Purchasing Card will be issued to employees who occupy positions with delegated purchasing authority, on the approval of the Department Head(s).

2.2 Limited Restrictions

- a) The limit for individual card purchases is restricted by the dollar amount established by the Department Head.
- b) The monthly credit card limit, which is the maximum monthly amount chargeable to each Purchasing Card, is restricted to the maximum dollar limit established by each Department Head. Under no circumstances will a transaction be "split" into two or more transactions to bypass the single transaction dollar limit.
- c) The Mgr. of Purchasing & Risk Management , in cooperation with the Department Head(s) will manage any changes of transaction or spending limits.

2.3 Prohibitions

Purchasing Cards **will not be used in the following circumstances:**

- a) When the cost of the goods or services would be significantly increased as a result of using the Card and an alternative method of payment is available (i.e. a discount is provided by the supplier as a result of not using the Card);
- b) When the supplier does not take a credit card as a means of payment;
- c) For personal use vehicle operating and maintenance expenses including vehicle repairs, fuel, oil etc;
- d) For personal purchases;
- e) To obtain cash advances.

2.4 Revoking of Card Privilege

Cardholders who do not adhere to the limits and prohibitions set out above will have their card privileges revoked. The Mgr. of Purchasing & Risk Management will consult with the Dept. Head who will advise the employee of this discipline.

2.5 Refunds

No cardholder may accept cash or a cheque from a supplier who is making a refund pertaining to a transaction previously charged to a Purchasing Card account unless there is no viable alternative.

2.6 Liability

- a) Every cardholder shall attend a meeting with the Manager of Purchasing & Risk or their designate, with the Director, Manager or Supervisor of the department that the cardholder works for and the cardholder shall be informed in writing of his or her responsibilities and restrictions regarding the use of the Purchasing Card and shall agree to them in writing.
- b) Cardholders will be held liable for any misuse or willful disregard of policies or operating procedures that result in a loss of money, fraud or collusion.

c) The liability for authorized charges on the Purchasing Cards rests with the City of Quinte West, not the individual cardholder.

d) The maximum City liability for unauthorized use of the Card following loss or theft of the Card shall be \$50.00.

2.7 Unauthorized Use

Unauthorized use means a use that did not benefit the City and was made by someone other than the cardholder. The City is not liable for any unauthorized use of the Card which occurs after notification of loss, theft or cancellation has been received by the US Bank Canada, however, if the loss or theft of the Card is not reported immediately, the City may be liable for all unauthorized purchases charged to the account.

2.8 Statement Cycle

a) The statement cycle period ends on the 27th of each month (or on the next business day if the 27th is on a weekend). The spending limit balances on each card are reset to zero at this time.

Expectations:

- Cardholders will be advised that their card activity statement is available for viewing and reconciliation on the desktop through Access Direct on the 28th of each month giving them the option to reconcile daily
- Cardholders have five (5) working days after receipt of the statement to allocate costs to accounts; if they are absent a delegated person should reconcile the cardholder's statement
- Cardholders will print the reconciliation after account costing
- Cardholders will have their immediate supervisor sign off on the statement and forward the original copy to Purchasing accompanied by receipts for each transaction
- Lost receipts MUST be requested from the supplier by the cardholder. Where replacement receipts are not available, the cardholder will complete a Requisition for funds detailing the purchase and have the appropriate party sign off
- The approved print out or statement must be received by Accounts Payable no later than the 5th of each month

It is acknowledged that some city departments may assign administrative staff to help with reconciliation and submission of statements to Finance.

2.9 Payments

To avoid the payment of interest, payments to the US Bank Canada – Visa shall be made within 14 days following the monthly statement date (also refer to 4.10.5 and 4.12)

2.10 International Purchases

Purchases made outside Canada will be converted to Canadian funds at a rate established by Visa International Inc.

3. RESPONSIBILITIES

3.1 The Cardholder is responsible for:

- a) Adhering to all conditions and restriction imposed on the Purchasing Card by the City of Quinte West and US Bank Canada;
- b) submitting the Employee Acknowledgment of Responsibilities and Obligations form to the Mgr. of Purchasing & Risk Management acknowledging, signing and submitting that they have read , understood and accept the conditions (Appendix A);
- c) Ensuring that the Purchasing Card, monthly statements and other documents bearing the Card number are kept in a secure location with controlled access;
- d) immediately notifying the US Bank Canada, the Department Head or Mgr. of Purchasing & Risk Management of loss or theft of the Card;
- e) Returning the Card to the Mgr. of Purchasing & Risk Management for cancellation as appropriate;
- f) Providing a signed, reconciled card activity statement to Purchasing on a monthly basis for all purchases made with the card
- g) Verifying the amount of HST paid to allow for accurate rebates;
- h) Resolving disputed charges;
- I) keeping supporting documentation (i.e. sales slips, cash register and credit card receipts, supplier notices etc.) related to all purchases made with the Card for reconciliation, account verification and audit purposes; and
- j) Ensure that tax exemption; it Fire vehicle repairs, are taken at the time the card is provided to the vendor.

3.2 The Department Head

The Department Head (or his/her designate) is responsible for:

- a) Assessing the need for Purchasing Cards in cooperation with the Mgr. of Purchasing & Risk Management based on operational requirements;
- b) Identifying the employee(s) who will be authorized to make purchases through the use of a Purchasing Card;
- c) Establishing the monthly credit limit for each cardholder in cooperation with the Mgr. of Purchasing & Risk Management;
- d) Specifying the types of items to be purchased with the Card, or identify any merchant blocking necessary;
- e) informing the Mgr. of Purchasing & Risk Management of the need for issuance of new cards, cancellation of existing cards, increases or decreases to credit limits, change in department or area of responsibility of the Cardholder;

- f) Monitoring and controlling the utilization of Purchasing Cards within their department or area of responsibility;
- g) Reviewing on a regular basis, the Card activity statement for all purchases charged to their budgets;
- h) Ensure immediate supervisors are approving statement reconciliations for their employees.

3.3 Mgr. of Purchasing & Risk Management

The Mgr. of Purchasing & Risk Management or his/her designate is responsible for:

- a) Collecting the reconciled activity statements from the cardholders;
- b) Developing corporate policies and procedures with regard to the use of P-cards
- c) Ensuring that all purchasing activity is done in accordance with approved Purchasing policies and procedures, and implementing corrective activities when warranted;
- d) Ensuring that each cardholder is informed of his or her responsibilities regarding the use of the P-card;
- e) Ensuring that the use of P-Cards conforms to departmental and corporate policy and procedures;
- f) Authorizing the issuance or withdrawal of P-cards with the US Bank Canada;
- g) Processing increases or decreases to credit limits in cooperation with Department Heads;
- h) Processing bank forms with respect to changes of address and changes of department or area of responsibility, in cooperation with Department Head;
- I) providing coordination with respect to monitoring the overall utilization of P-cards within the City of Quinte West;
- j) Compiling and reporting P-Card data to the Department Head(s) as required;
- k) Ongoing staff training

4. **PROCEDURES**

4.1 Requests for Purchasing Cards

The Employee Personal Information form will be completed and signed by the employee. and presented to the Mgr. of Purchasing & Risk along with Director level approval to issue the card.

The Department Head, in coordination with the Mgr. of Purchasing & Risk Management will determine the "monthly

credit limit and single transaction limit" of the Employee Information section.

The Department Head must send the approved application form to the Mgr. of Purchasing & Risk Management for transmittal to the US Bank Canada.

Personal credit information is not required as the Card will be issued to the City of Quinte West, not the employee.

Purchasing Cards are expected to be issued within ten (10) working days from the date that the application form is received by the US Bank Canada. The Cards will be sent directly to the Mgr. of Purchasing & Risk Management at the address indicated on the Bank Application Form.

4.2 Issuance of Purchasing Cards

Every cardholder shall attend a meeting with the Manager of Purchasing & Risk or their designate, along with the Director, Manager or Supervisor of the department that the cardholder works for prior to release of the card to review the Acknowledgement of Responsibilities form. The cardholder signature will indicate that they understand and agree to its terms.

Upon receipt of the Cards from the US Bank Canada, the cardholder must ensure that all information on the card is correct. Any inaccuracies are to be reported immediately to the US Bank Canada Commercial Card Centre by the Mgr. of Purchasing & Risk Management.

The Mgr. of Purchasing & Risk Management will inform the cardholder of the responsibilities and restriction regarding the use of the Purchasing Card and obtain a written Acknowledgment of Responsibilities and Obligations form from each cardholder before issuing the card (refer to Appendix A)

The Mgr. of Purchasing & Risk Management will retain the Acknowledgment of Responsibilities and Obligations form for safekeeping.

The cardholder must sign the Purchasing Card and store it in a secure place when not in use.

The cardholder must activate the Purchasing Card by calling the US Bank Canada as per the telephone number on the Purchasing Card.

4.3 Cancellation of Purchasing Cards

The Manager of Purchasing & Risk or their designate will cancel cards immediately upon notification of the need to do so.

4.4 Lost or Stolen Purchasing Cards

4.4.1 The cardholder must **immediately** notify the US Bank Canada of any loss or theft of the card through the Commercial Card Centre at 416-306-3636, or toll free at 800-588-8067. Lost or stolen Cards can be reported 24 hours a day, seven days

a week. If the card is stolen, the police must be notified and a police report requested by the Department Head.

4.5 Change of Department or Area of Responsibility

4.5.1 If the cardholder will no longer require use of the card as a result of a change in department or area of responsibility, the Card will be cancelled by the Mgr. of Purchasing & Risk Management

4.6 Modification of Credit Limit

The Department Head will coordinate with the Mgr. of Purchasing & Risk Management for any change in credit limit. The Mgr. of Purchasing & Risk Management will complete and submit the necessary paperwork to US Bank Canada.

Credit limit changes will be made within three (3) working days from the date that the bank receives the form.

4.7 Disputed Charges

Items charged on monthly statements of accounts that do not accurately reflect the transactions made by the cardholder (i.e. bank errors such as wrong amount, incorrect account number, multiple postings of the same item, etc.) are considered to be disputed items.

The cardholder must notify US Bank Canada and advise the Mgr. of Purchasing & Risk Management of the items disputed. Disputed items reported by cardholders will be credited on the individual statement the following month (provided they are legitimate). The amount indicated on the statement is the amount that should be paid to the US Bank Canada Commercial Card Centre.

The cardholder shall provide information and assistance to the US Bank Canada to settle the disputed item(s) as required.

If the questionable item is not a bank error but a supplier error (i.e. late delivery, defective goods, wrong price, quantity difference, returned goods, etc.) the matter must be settled directly with the supplier by the cardholder. Such matters must be drawn to the supplier's attention immediately so as to minimize the delay in obtaining a credit to the Purchasing Card account. When the amount in dispute is of an insignificant dollar value, notices to suppliers should be confirmed in writing even though settlement may be accomplished through telephone calls. Copies of the notices to suppliers should be attached to the monthly reconciliation activity statement. Items under dispute with suppliers must not be deducted from the monthly statement of account.

Disputed charges must be identified and the US Bank Canada notified within 30 days of the statement date.

4.8 Purchase of Goods and Services

Record of purchases made with P-cards must be submitted to Purchasing by cardholders together with sales slips, credit vouchers, notices to suppliers with the printed card activity statement. A purchase order is not necessary for purchases made with a P-card unless a single transaction amount exceeds \$2000.00.

The appropriate sales tax exemption must be noted at the time of purchase to the supplier to ensure exemption from the provincial sales tax where applicable. (Fire dept. only)

The appropriate taxes are to be paid where applicable.

For over the counter transactions or for services rendered, the cardholder will certify that the goods have been received; when goods are shipped, the cardholder must ensure that the goods received match the order or sales slip.

For telephone orders, the cardholder should have the supplier fax a copy of the receipt or instruct the supplier to supply a copy of the receipt with the shipment.

For Internet orders, the cardholder may either print the order from the computer or attach the receipt provided by the supplier once the order arrives.

4.9 Access Direct Software

The Access Direct web page is designed for individual cardholder use. It is provided as a delivery vehicle for the monthly statement to allow cardholders the ability to complete the monthly statements and allocate purchases to cost centers.

Cardholders may find the webpage useful to:

- Receive an electronic daily or monthly statement and print it
- Reconcile transactions on their monthly statement
- Adjust transactions (i.e. allocate purchases to cost centers or add additional information for use in company specific reports)
- Electronically deliver revised monthly statements to Purchasing
- Track project related expenses. This provides cardholders with a complete expense reconciliation system

Each cardholder will be provided with the internet address to verify and reconcile their statements daily or monthly where applicable.

For cardholders that do not have access to use of a desktop computer, a site coordinator will be assigned that has access to a desktop computer for reconciliation of the card activity statement.

The file may be downloaded and connected to the local area network where it will be updated immediately.

4.10 Payment of Monthly Statements

The statement of account will be issued on the 27th day of each month and will be sent directly to the Purchasing Department who will distribute with other regular invoices to appropriate department for coding and approval for payment.

The following documentation must be sent to Accounts Payable by the Purchasing Dept. for payment purposes: the printed copy of the monthly card activity statement as reconciled, approved by the cardholder and the Department Head or designate. The detailed purchases listed on the statement must match the charges shown on the monthly statement with adjusting entries shown, as need be, for disputed items (bank errors)

Monthly reconciliation must include sales slips; credit vouchers etc., and be sent to Purchasing. Purchasing will verify and forward to Accounts Payable where the information will be retained for audit purposes.

No cardholder shall have the authority to approve their own statement of account.

In order to avoid the payment of interest, the approved monthly statement with backup documentation must be sent to Accounts Payable for payment on or before the 5th day of each month.

5. **PAYMENT AND CALCULATION OF INTEREST**

In accordance with the terms of the agreement between the US Bank Canada and the City of Quinte West, the payment of interest to the US Bank Canada is based on a 14 day payment period. Where the City is responsible for the delay, interest will be automatically calculated and paid on overdue accounts.

6. **MANAGEMENT REPORTS**

The management reports produced by the US Bank Canada "Access Direct" software will be provided by the Mgr. of Purchasing & Risk Management as requested and issued to all Department Heads for monitoring purposes.

EMPLOYEE ACKNOWLEDGMENT OF RESPONSIBILITIES AND
OBLIGATIONS
and
AGREEMENT TO ACCEPT THE VISA PURCHASING CARD

The US Bank Canada Visa Purchasing Card represents the City's trust in you. You are empowered as a responsible agent to safeguard City assets.

1. I understand that the card is for **City approved purchases only**, and I agree not to charge personal items to my corporate card.
2. Application of a **personal rewards program rebate/points** in conjunction with City funded p-card purchases is **prohibited**.
3. **Improper use of this card can be considered misappropriation of City funds. This may result in disciplinary action, up to and including termination of employment.**
4. If the card is lost or stolen, I will immediately notify US Bank Canada by telephone or report the loss directly to the Manager of Purchasing & Risk or their designate to facilitate timely cancellation of the card. (purchasing@quintewest.ca)
5. I agree to surrender the card immediately upon termination of employment, whether for retirement, voluntary or involuntary reasons.
6. The card is issued in my name. **I will not allow any other person to use the card.** I am considered responsible for any and all charges against the card.
7. All charges will be billed directly to and paid directly by the City. The bank cannot accept any monies from me directly; therefore any personal charges billed to the City could be considered misappropriation of City funds.
8. As the card is City property, **I understand that I will be required to comply with internal control procedures designed to protect City assets.** This may include being asked to produce the card to validate its existence and account number. I will be required to produce receipts and statements to audit its use.
9. I will receive a monthly Reconciliation Statement which will report all activity during the statement period. Since I am responsible for all charges (but not for payment) on the card, I will resolve any discrepancies by either contacting the supplier or the bank.
10. I understand that the Purchasing Card is not necessarily provided to all employees. Assignment is based on my need to purchase materials for City business. My card may be revoked based on change of assignment or location. I understand that the card is not an entitlement nor reflective of title or position.

THE CORPORATION OF THE CITY OF QUINTE WEST
SCHEDULE "C" TO BY-LAW NO. 21-073
PURCHASING CARD PROGRAM (P-CARDS)

Visa Purchasing Card Number Issued in My Name:

Employee Printed Name	
Director's Printed Name	
Total Credit Limit on This Card	

EMPLOYEE # ASSIGNED FOR P-CARD PURPOSES: 9999

A meeting with the cardholder was held on

_____ 20

Your signature below is verification that on this day you have been provided with an overview of the Cardholder terms and conditions along with a printed copy of the city's Purchasing Policy including Schedule "C" pertaining specifically to the P-card program and further that you understand and agree to abide by all terms and conditions thereof.

Employee Signature: _____

Dated: _____

In the presence of:

Dept. Head or Designate

Mgr. Purchasing & Risk or Designate