



TOWN OF HINTON

POLICY TITLE: PURCHASING POLICY

POLICY #: 016

EFFECTIVE DATE: January 1, 2013

**ADOPTED BY
COUNCIL ON:** **October 2, 2012**

POLICY STATEMENT

This Policy is adopted in order to define certain purchasing standards of the Town of Hinton and to provide direction to Town employees who are involved in the purchase of goods and services on behalf of the Town of Hinton.

1. GOALS

- To purchase goods and services at Best Value for the benefit of taxpayers to ensure:
- Seeking supply arrangements which provide the optimum combination of quality, suitability, sustainability and delivery terms;
- Alignment of purchasing decisions with our commitment to the Community Sustainability Plan;
- Communication of the Town of Hinton's commitment to sustainability to all suppliers and contractors as a means of encouraging improvements in product development and availability;
- Municipal employees follow the same procedures and processes for all purchases, regardless of value and ensure best practices;
- Where opportunities exist, to create long term standing agreements with vendors where beneficial (ie. 5 year banking services, etc.)
- Municipal objectives and goals are strived for in all public spending;
- Clear definition of purchasing practices to ensure a) transparency by sharing purchasing guidelines and product evaluations with the public; b) fiscal responsibility; and c) accountability in decision-making. To ensure procurement practices are accountable and transparent, this policy clearly defines and establishes approval authority purchasing limits;
- Specifications are set to allow as fair a process as possible while still obtaining Best Value for the Town of Hinton;

- Consideration of sustainable purchasing methods in all purchasing decisions and selecting environmentally beneficial goods and services where the additional cost is not prohibitive;
- Certain terms and conditions applicable to all Town Tenders are set out;

2. **DEFINITIONS**

“Agreement on Internal Trade” (“AIT”) refers to the Agreement on Internal Trade, and most specifically MASH Annex 502.4, which is a Federal Provincial Agreement that requires municipalities such as the Town of Hinton to apply non-discriminatory procurement policies. Generally, AIT applies to the procurement of goods and services over \$100,000.00, or construction contracts over \$250,000.00 (amounts reflected as at 2012, however, this policy will be altered to reflect changes of these amounts to remain current with the agreement).

“Best Value” is not limited to the lowest price, but is a combination of a number of factors related to the overall transaction and the long term benefit or advantage to the Town. Individual factors may vary from contract to contract, but will generally include, but not be restricted to, price, quality, experience, performance history, litigation history, service and service history, equipment, ability, financial capacity, ease of use, sustainable purchasing, availability/delivery, purchase terms, and other pertinent factors related to the service or goods required.

“Community Contributions” funds raised or assistance provided by a community non-profit organization for a specific project or projects.

“MERX” refers to a national electronic Tendering system available as a bulletin board for broad posting of Tenders for government and quasi-government organizations.

“Non-discrimination” means buyers must treat suppliers from another province or location the same as they treat local suppliers. For further details, see binders in Public Works, Corporate Services, Recreation, Engineering and Administration Departments.

“Partnership” two or more entities working together for mutual benefit of a project or projects and may include community contributions.

“Single Source” refers to the supply of goods or services from a single source due to its proprietary nature, lack of ready availability, emergency, or other reasons.

“Sustainable Purchasing” a management process used to acquire goods and services (“products”) in a way that gives preference to suppliers that generate positive social, environmental, financial and economical outcomes, and that integrates sustainability considerations into product selection so that negative impacts on society, the environment and economy are minimized throughout the full life cycle of the product.

“Tender” refers to a written process whereby the Town solicits bids from interested or qualified parties within the context of the competitive process. However, for the purposes of this policy, the use of the word “Tender” may be interpreted to refer to other competitive processes such as requests for proposal. The use of the word “Tender” shall not prevent the Town from utilizing alternative competitive processes.

“TILMA” refers to the Trade, Investment and Labour Mobility Agreement between the governments of Alberta and British Columbia, and applicable to municipalities such as the

Town of Hinton. Generally, TILMA applies to contracts for goods or services in the amount of \$75,000.00 or more, or construction contracts of \$200,000.00 or more (amounts reflected as at 2012, however, this policy will be altered to reflect changes of these amounts to remain current with the agreement).

“**Transparency**” means that buyers must have open Tendering processes.

3. RESPONSIBILITIES, METHODS AND PROCEDURES

All employees that are engaged in any supplier related activities shall do so using high standards and ethical practices and are accountable and responsible to ensure that all purchases are within budget and comply with all applicable Town of Hinton bylaws, policies, procedures as well as all Federal and Provincial legislation. The requirements of AIT and TILMA will be applicable to all contracts to which those agreements apply. The selection of vendors is the responsibility of the buyer and requires a consideration of a number of factors, many, but not all, of which are set out in the definition of “Best Value”. Buyers shall attempt to obtain the Best Value for the Town, and to consider any factors related to the procurement that might be related to obtaining Best Value.

Directors will be responsible to ensure compliance with sustainable purchasing processes within their division.

When evaluating different vendors, to the extent possible, buyers should evaluate vendors on comparable criteria, for example, F.O.B. Hinton.

(a) Selection of Supplier and Contractors

When a buyer is making purchases for other Departments, or making purchases that may affect other departments, the buyer shall co-ordinate closely with the affected departments prior to obtaining quotations or issuing calls for a Tender.

Eg. Public Works buying a water truck – check with Parks/Recreation and Fire Department for needs and compatibility.
Maintenance re-keying doors – check with all departments for possibility of working from the same master.

When selecting suppliers, the following should be considered:

- Degree of competition required commensurate with the type, size and dollar value of the required goods or services.
- Availability of after sales services.

- Those factors enumerated in the definition of “Best Value”, and any other factors the buyer may determine are applicable to obtaining Best Value.

(b) Approval for Single Source supply must be obtained as follows:

- Director: up to \$50,000.00;
- Town Manager: up to \$200,000.00;
- Council: exceeding \$200,000.00

(c) The following specific positions have the authority to expend funds on behalf of the Town for goods and services:

- Director – up to \$50,000.00;
 - Town Manager – up to \$200,000.00.
- (d) Council approval and a budget amendment are required to award a contract where total costs for the project exceed the approved budget.
- (e) All Director's and other approved designated personnel, have the authority to purchase goods and services up to their approved purchasing limits within the departmental budget. Expenditures in excess of the limits require approval by the Town Manager or Director of Corporate Services prior to placement of an order. The Director, with the concurrence of the Director of Corporate Services, may delegate signing authority up to \$50,000.00 for specific functions, goods or services. The Director of Corporate services along with the Director will determine limits for expenditures within this range.
- The exception to the limits is provided in the event a Tender and/or contract has been approved by Council. The Director and/or designate personnel can approve any amount up to the contract price, as long as the invoice has additional wording such as "per approved Tender or contract".
- (f) Buyers have the responsibility of ensuring that:
- i) Expenditures are within overall budget.
 - ii) Expenditure is within their delegated authority level.
 - iii) Funds for the purchase are "committed" at the time of purchase order.
 - iv) A firm price appears on the purchase order.
 - v) The supplier will invoice the Town of Hinton, Finance Department, Attention: Accounts Payable.
- (g) The requirements for a number of the same or similar supplies needed at one time are not to be split into several purchase orders for the purpose of exceeding a limit of signing authority unless a specified exception has been obtained from the Town Manager or Director of Corporate Services.
- (h)
- i) In the event that a quotation or Tender is sought from a company that is owned and operated by a member of the immediate family of a Town of Hinton employee, that Town of Hinton employee shall not be part of the quotation or Tender acceptance process.
 - ii) A quotation or Tender from a company owned and operated by, or employing a Town of Hinton employee, shall not be considered unless that company is a sole source supplier.
 - iii) Acceptance of any goods or services from any of the aforementioned companies shall be verified by the supervisor of the Town of Hinton employee.

- (i) Town employees will not use their position to request personal advantage when making purchases. Broad-based corporate programs approved by the Town Manager may involve employee discounts (e.g. work, clothing, computers, etc.).
- (j) The Town may suspend (temporary removal) a vendor from it's list of bidders for a period of up to five years for unsatisfactory performance, provided the following process is followed:
 - i) The buyer has discussed the performance concerns with the vendor's principal or his authorized representative.
 - ii) The suspension and reasons for suspension shall be provided to the vendor in writing. The letter shall be approved by the Department Manager. For vendor suspensions exceeding two years, the letter must have the approval of the Department Manager and the Town Manager.
 - iii) The term of vendor suspension shall be based on the nature of performance problem, quality of goods or service provided, frequency of similar service/goods purchased, clarity of expectations etc.
 - iv) The suspension of the vendor and the reasons for said suspension shall be communicated to the Town Manager, Director of Corporate Services, and other Department Managers.
- (k) If requested, the Finance Department, Accounts Payable will provide Town Council with a listing of all purchases exceeding \$1,000.00 for any given month.

4. QUOTATION AND TENDERING

- (a) A quotation is a commitment in writing regarding the current price of goods or services whereas a Tender involves a written offer and acceptance process. Tenders are competitive processes, whereas quotations may or may not be competitive in nature.

All prices on Tenders or quotations should be requested without GST.

Unless an exception applies, the following processes will apply to purchases:

- i) Purchases of goods or services expected to cost between \$1.00 and \$2,500.00 may be awarded by verbal quotation, written quotation, or Tender.
- ii) Purchases for goods or services expected to cost between \$2,500.00 and \$9,999.00 may be awarded by written quotation or Tender.
- iii) Goods or services which are expected to cost \$10,000.00 or more shall be awarded by way of Tender.

Prices on Tenders and quotations are to be without GST.

Quotations should be recorded and accompanied by a purchase order (see Schedule "A").

Tender forms should be prepared utilizing the form attached as Schedule "B". All Tender documents, including advertisements, should contain the words:

“The Town of Hinton reserves right to accept or reject any and all Tenders, and the lowest or any Tender will not necessarily be accepted. The Town of Hinton Purchasing Policy shall apply”.

(b) Notice to Bidders

The following terms and conditions shall apply to all Town of Hinton Tenders:

Regardless of anything else contained in this Policy, or any Tender documents, it will be the purpose of the Town to obtain, through the Tendering process, those contracts which are most suitable and advantageous to it. The Town reserves the right, in its sole and unfettered discretion, to reject or accept any Tender, including the right to reject all Tenders. While the Town may disclose the results of its analysis to bidders, in no circumstances shall it be required to disclose to bidders the Town’s reasoning or explanation behind its decision to either award a Tender to a particular bidder, to reject a Tender, or to reject all Tenders.

The Town also reserves the right, before or after closing a Tender, to seek clarification, or to ask for additional information from one or more bidders, or to negotiate after closing of a Tender with the bidder that the Town deems has provided the most advantageous Tender, and in such circumstance, the Town will not be required to seek clarification or ask for additional information from all bidders or offer any modified terms to other bidders.

Bidders who submit a Tender to the Town of Hinton agree that they will not claim damages in any court proceeding or other dispute resolution form in respect of any aspect of a Tender process or any representations made or purported to be made before, during or after the Tender process or negotiation phase, in excess of the amount equivalent to the reasonable costs incurred by the Tender in preparing its bid. By submitting a bid, the bidder specifically waives any claim for loss of profits if no agreement is entered into with that bidder.

5. PURCHASING APPROVAL AND AUTHORITY LEVELS:

(a) Petty Cash

Petty cash system may be used for small items under \$20.00. The Director of Corporate Services or designate disburses petty cash fund for purchases up to \$20.00 upon receipt of a property authorized and coded paid sales slip. Staff expenditures in excess of \$20.00 can be claimed on an expense form. Quotations are not required for petty cash items.

(b) Transactions Up To \$2,500.00

Procurement of goods and services under \$2,500.00 need not be Tendered. Verbal quotations shall be obtained for purchases of standard goods and services with an estimated price of up to \$2,500.00. Quotations are to be recorded using Schedule “A”. This will serve as back up if documentation is required after order is placed. The quotation summary shall be attached to the purchase order, which shall immediately be prepared following the placement of the order. A minimum of two suppliers is acceptable for verbal requests. Additional costs to bring goods and services to the Town of Hinton premises should be considered in the quotations.

(c) Transactions Between \$2,500.00 and \$9,999.00

(d) Procurement of goods and services between \$2,500.00 and \$9,999.00 should be awarded on the basis of written quotations, unless a Tender is deemed more appropriate.

- i) The buyer, when purchasing goods and services requiring written quotations, will solicit prices from three or more vendors. A minimum of two requests is acceptable if the buyer is familiar with the market and prices of the goods and services in question and has the concurrence of the Director of Corporate Services. In the case of proprietary items, more than one price is often not possible and should be so noted on the purchase order.
- ii) At the beginning of a predetermined buying period, the buyer should consider the need for recurring orders and establish a price with an open purchase order to provide the ordering as required without requesting quotations for each order, e.g. copy paper, chemicals, gas and oil.
- iii) Quotations shall be solicited only from vendors whom the buyer understands are qualified.
- iv) The buyer shall make every reasonable effort to provide answers to technical questions arising during the quotations period. In an effort to limit the number of contacts a supplier has with the Town, the buyer will co-ordinate the reply and provide all potential suppliers with the same information.
- v) In order to limit the number of contracts with the Town by an individual supplier the requirements of the Town should be co-ordinated as much as possible by the various departments.
- vi) After all quotations have been received and examined for completeness, a summary sheet is to be prepared (Schedule "A"). Determination of the successful bidder and award of the order will be made by the Director or their designate. The information gathered will be kept with the purchase order as back-up documentation.
- vii) The buyer will not release the prices quoted by another supplier, or price paid by the Town to the successful supplier until after the quotations process is closed.
- viii) All unsuccessful vendors who provided a quote will be notified, either verbally or in writing, that the quotations have been closed and a purchase order issued.

(e) Additional Information

A request for written Tenders shall be advertised and, upon receiving any inquiries, the buyer will endeavor to provide identical information to all persons making inquiries. Unless otherwise specified by Council, the Town Manager is delegated the authority to accept any Tender or proposal, the value of which does not exceed \$100,000.00; as long as:

- i) The goods or services are provided for in an approved budget;
- ii) The Town Manager believes that the Tender or proposal represents Best Value.

In the event of the following, the Tender or proposal shall be submitted to Council for approval:

- i) The budget allocations is insufficient in the opinion of the Town Manager;
- ii) The award is to be made to any firm with a Tender other than the Tender demonstrating Best Value.

All Tenders or proposals shall be processed in accordance with the policy approved by Council and with procedures approved by the Town Manager.

(f) Transactions Over \$10,000.00

Procurement of goods and services over \$10,000.00 shall be awarded on the basis of written Tender submissions or written proposal call.

Tenders for procurement of goods and services from \$10,000.00 to \$75,000.00 and for construction or capital projects up to \$200,000.00 shall be advertised or undertaken by invitational Tender.

Notwithstanding the above, unless an exception applies, Tenders for the procurement for goods and services to which AIT or TILMA apply, must be advertised through MERX or an equivalent method and may also be advertised in such other methods, as may be deemed appropriate.

6. PROCEDURES

(a) QUOTATIONS

Quotations shall be obtained for any supply or service that can be provided by 2 or more suppliers for items up to \$9,999.00.

Determine whether to request verbal or written quotations;

e.g. up to - \$2,500.00 verbal; up to \$9,999.00 written.

- i) Advise the vendor of the exact requirement;
- ii) Be specific;
- iii) Use the same specifications for all suppliers;
- iv) Give reasonable time for receipt of a quotation to allow all vendors to obtain proper quotations from their suppliers;
- v) Advise vendor of final date to accept quotation;
- vi) Combine requirements for specific period, 6 months or 1 year. Request quotation to supply for that period to avoid multiple requests;
- vii) Obtain quotations from reputable supplier;
- viii) Include cost of delivery on quotation sheet;

- ix) Request supplies be delivered as needed;
- x) Quotation sheet to be completed on all items (Schedule "A");
- xi) Quotation sheet shall be attached to purchase order.
- xii) If goods and services are to be supplied over a period of time, a copy of quotation sheet shall be kept in reference. Once quotation is accepted, successful supplier is to be notified.
- xiii) All supplies shall be purchased from supplier that provides the Best Value, unless otherwise approved by Town Manager or Council.

(b) TENDER PROCEDURE

- i) Sufficient Tendering time must be allowed for the preparation and return of Tenders prior to the date and time of closing.
- ii) It must be emphasized in the invitation to Tender that Tender envelopes are to be clearly marked with the Tender file number, sender and address – The Town may use "self-addressed" envelopes for this purpose. [See Schedule "B"].
- iii) Sealed Tenders will be received by the Director of Corporate Services or designate. As Tenders are received they shall be marked with the time and date received and initialed by the Director of Corporate Services or designate. Reception and Accounting Personnel should be advised as to upcoming Tender closing. Upon receipt of Tenders, the Director of Corporate Services or designate shall place them in a locked area of the safe and maintain control of the key.
- iv) Unless there is good reason to the contrary, Tenders shall be opened publicly by a Senior Representative of the Department responsible for the Tendering and the Director of Corporate Services or designate.
- v) All bids will be opened at the Town Office at the date and time of Tender closing, or so soon thereafter as may be reasonable. Closing time should normally be set for 2:00 p.m.
- vi) Tenders received after closing are to be returned unopened with covering letter explaining the reason for the rejection. If late bids must be opened to determine the name and address of the sender, this also must be explained in the letter. A record of all Tenders and their disposition shall be maintained.
- vii) The invitation to Tender must state the time, date and place where the Tenders will be opened as well as any other pertinent information.
- viii) At public opening of bids only the name and address of the bidder, and the total amount of the bid are to be read out, together with a statement to the effect that the lowest or any bid will not necessarily be accepted, and that a decision regarding the award of the contract will not be made until such time as the bids are analyzed.
- ix) Following review of the Tender documents the successful Tender will be determined based upon Best Value.

(c) PURCHASE ORDER PROCEDURE

All purchase of goods or services is to be made by the issuance of a purchase order. (*See exceptions below). The purchase order is to be prepared immediately upon making the commitment for purchase of all goods and services.

If a purchase has been made verbally by telephone, a purchase order should be prepared and marked "For Confirmation Only". The purchase order number shall then be supplied to the supplier.

Each purchase order is to be completed in detail: i.e. Date, Vendor, Quantity, Description, Code, and Price. All suppliers are to be instructed to record the Purchase Order Number of all invoices.

The purchase order is to be signed by authorized personnel only.

When a purchase order is completed the copies are to be distributed as follows:

White copy to Accounts Payable;

Pink copy retained by the purchaser until the purchaser has received goods and authority to pay has been forthcoming;

Yellow copy to be retained by the purchaser as per the retention record.

There are several situations where Purchase Orders are either unnecessary or by the nature of the purchase, not practical. They are as follows:

- Utility Accounts
- Expense Accounts
- Debenture Payments
- Payroll Payments
- Refunds
- Requisition Payments & all "Other Government" Transfers
- Petty Cash Reimbursements
- Professional Fees, e.g. Legal Fee
- Phone card charges

As soon as the order has been placed, forward the White Copy to Accounts Payable so they are informed of the Town's financial liability.

When the goods and/or service have been received, the pink copy, signed by an authorized staff member, along with the invoice or packing slip are then forwarded to Accounts Payable for payment. The signature on the pink copy authorizes the Accounts Payable to make payment. It is the responsibility of the buyer to ensure the order is complete.

Make sure all Town purchase orders are billed to the Town Office address **ONLY**. Payments are not made from a statement. Invoices are to be submitted to the Finance Department, Town of Hinton, 2nd Floor, 131 Civic Centre Road, Hinton, Alberta, T7V 2E5.

All common supplies are to be ordered by the Administrative Assistant in the Finance Department, Attention: Accounts Payable. Any deviation from this requires approval from the Director of Corporate Services.

Approved purchase order, ready for payment, should flow to the Finance Department, Attention: Accounts Payable on a regular basis. This practice will avoid last minute overflow.

It is the responsibility of each Department to ensure all supporting documentation for expenditures are appropriately authorized and received by the Accounts Payable Staff every second Thursday by 10:00 A.M. in order that the cheques may be released the following Wednesday.

Invoices not properly authorized by purchase order received by the Finance Department, Attention: Accounts Payable will be returned forthwith to the supplier advising of non-approval. (Schedule "C" attached)

It is the responsibility of the Accounts Payable Staff to ensure that properly approved invoices or purchase orders are paid on a timely basis.

In the case of variance between the invoice and the purchase order, the original approver of the purchase has the authority to pay accounts that may exceed the Purchase Order because of the GST. If the invoice is less than the purchase order the original approver of the purchase shall be advised.

In the case of progress payments on a successful Tender, an open purchase order may be used, with individual payments being recorded and accompany the purchase order until such time that the total amount of the purchase order has been reached.

(d) PRIOR APPROVAL CHEQUES

A prior approval cheque is defined, as a cheque required outside of the regular accounts payable routine. In all cases prior approval cheques require the approval of the Town Manager or Director of Corporate Services before the cheque be issued. It is the responsibility of the department requiring the prior approval cheque to obtain the approvals.

(e) MANAGING CAPITAL PROJECTS

All contracts for capital projects shall be awarded according to the Town's Purchasing Policy. Administration of all capital projects is the responsibility of the Town Manager who may delegate such responsibility to the appropriate Director or designate.

The Town Manager or that designated person shall approve all expenditures i.e., progress payments up to the approved contract price. Staff approving these payments should add additional wording on the invoice "per approved Tender or contract".

Where administration responsibility has been delegated, the person to whom the responsibility is delegated shall ensure:

- i) That the work, goods supplied or service supplied has met the standard specifications contracted for;
- ii) That the price charged is according to the contract and where a progress or similar payment is involved, that the portion of the contract being paid for is complete in all respects;
- iii) That all the terms and conditions specified by the Town have been met;

- iv) That funds are available within the capital project budget; and
- v) That the expenditure is charged against the activity to which it is coded.

The Town Manager may revise terms and conditions of a contract providing that the revision does not substantially change the project, or cause the project to exceed the budget. Changes to contracts over \$10,000.00 and previously approved by Council, will not be changed without Council's prior approval, except in an emergency as deemed necessary by the Town Manager, who will advise Council at their next regular scheduled meeting.

(f) PROCEDURES – ANNUAL OR MULTI-YEAR CONTRACTORS

Determine goods purchased on ongoing basis for the year may include but are not limited to:

- Gas & Oil
- Office Supplies
- Copy Paper
- Stationery
- Envelopes
- Pool Chemicals
- Paint
- Lumber
- Tires

All purchases for annual/multi-year supply will be done according to Section 4.

Multi-year supply contracts are renewable annually at the option of the purchaser (Town).

7. BUSINESS LICENSES AND WORKERS' COMPENSATION

- (a) Those successful bidders, where applicable, shall be required to have a Town of Hinton Business License prior to the start of work, and this requirement shall be included in the Tender document.
- (b) Where applicable, Workers' Compensation Numbers shall be provided to the Town prior to the start of work and this requirement shall be included in the Tender document.

Note of explanation: "Where applicable, is defined as where required," for example:

- i) If the Town is to bring in a contractor to complete a capital project for the Town, and that contractor is working in Town and will be here in Town, they will be required to have a Town of Hinton business License. If the Town purchases supplies out of Town and has them delivered, that supplier will not require a Town of Hinton Business License.

- ii) Contractors performing work for the Town of Hinton requiring that the contractor be registered with the Workers' Compensation board shall be required to supply their Workers' Compensation Board number to the Town of Hinton buyer. This number will then accompany the purchase order

Approved January 24, 1989

Amendments

- May 26, 1992 Resolution #920388
- February 4, 1997 Resolution # 970043
- April 18, 2000
- June 2007
-

SCHEDULE "A"
QUOTATIONS SUMMARY

FOR THE PURCHASE OF: _____

SUPPLIER: _____ \$ _____ Value Comments _____

ORDER WAS PLACED THROUGH _____

FOR THE PRICE OF \$ _____ ON _____, 20 _____

Prepared by: _____ Date: _____

Department: _____

THIS QUOTATION SUMMARY AND OTHER WRITTEN QUOTATION INFORMATION
MUST BE ATTACHED TO A COPY OF THE PURCHASE ORDER WILL BE PROVIDED TO
ACCOUNTS PAYABLE.

*Invited supplier should be shown even if no quote received.

SCHEDULE "B"
TENDER FORM COVER SHEET

Produce/Supply/Service/Project

The Town of Hinton, _____ Department is accepting Tenders marked _____, at the Town of Hinton, 2nd Floor, 131 Civic Centre Road, Hinton, Alberta, T7V 2E1, Project Name _____

Or faxed to (780) 865-_____ up to _____
Date and Time

If you require more information, please contact _____ at _____.

The work involves:

- _____

- See Attached

Criteria for Selection of Product/Supply/Services or Project:

- Price
- Quality
- Experience
- Availability/Delivery
- Purchase Terms
- Ease of Use
- After-Sales Service/Warranty
- Other _____

The following must be submitted to be considered a complete Tender response:

- Bid outlining specific requirements of the Tender on company letterhead or signed and sealed by the bidder.
- On the attached quotations sheet.
- Evidence of _____, _____, _____
(i.e. WCB number, bond requirements, business license, etc.)
- Other _____

The Town of Hinton reserves the right to accept or reject any or all Tenders, and the lowest or any Tender will not necessarily be accepted. The Town of Hinton purchasing a policy shall apply to this Tender.

Prepared By: _____ Date: _____

SCHEDULE "C"

Address

Date

Dear Sir:

Your statement/invoice has been received by the finance department in the Town Office. However, we have no indication of a purchase order being issued to you nor do we know the contact person involved in requesting your service. The invoice is being returned to you and we ask that in the future you do not accept an order without a purchase order being issued.

Once you have contacted the person that has requested this service and you are provided with a purchase order please return it to the Town Office. We will expedite payment as quickly as possible.

Yours truly,

Director of Corporate Services or designate

TOWN OF HINTON PURCHASING POLICY – SUMMARY TOOL					
Estimated Value of Purchase	Approach to making purchase/supply contract		Evaluation	Dec. Making	Documentation
	Purchaser Seeks	Vendor Responds			
\$ up to \$2500	Minimum 2 verbal requests	Verbal quotation	Overall Best Value – (informal)	Designated Personnel	Do quotation summary (Schedule “A”)
\$2500-\$9,999	2 or more vendors. Written quotations requested	Written quotation	Overall Best Value	Department Manager unless delegated	Attach quotations or quotation summary; and any comments re: Best Value
\$10,000-\$100,000	Written proposal call or advertised Tender invitation (Schedule “B”)	Written Tender response or completed Tender documentation	Overall Best Value	Director- \$50,000 Town Manager- \$200,000	Attached Tender responses
Above \$75,000 (goods and services) or \$200,000 for construction	Advertised Tender via MERX	Completed Tender documents	Overall Best Value	Town Manager - \$200,000 Council – over \$200,000.00	Do report to Council, summarizing Tenders
Exception Notes	Exception-single source supply			Exception-emergency which requires after fact reporting	*If requested, Director of Corporate Services advises Council of all purchases over \$1,000

See also policy 015 – Authorization of Expenditures re: Unbudgeted/Unplanned Policy

SCHEDULE “D” REMOVED