

Grimsby Public Library – Procurement Policy

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Notes:

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- Revised October 9, 2013
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- Revised October 11, 2017
- Revised February 12, 2020

Purpose

This policy seeks to define the overall context within which the library will make purchases of various products and services by:

- Providing a comprehensive process that encompasses all likely purchases and procurements for the Library;
- Seeking out appropriate vendors and concluding the purchase arrangement such that best value is achieved;
- Promoting the purchasing methods and purchasing 'tools' outlined in the policy and procedures to allow staff to effectively and efficiently carry out their responsibilities and acquire goods on time.

Guidelines

The Grimsby Public Library is committed to:

- Seeking the best value for its purchases of goods and services regardless of the supplier's geographic origins;
- Securing the best quality for the dollars available; purchasing decisions will include consideration of both purchasing and leasing when such options are available;
- Maintaining positive vendor relations within ethical limits;
- Selecting suppliers with proven capability;
- Using co-operative and bulk purchasing when there are identifiable benefits to the library in the quality, price, delivery and service available;

- Encourage an open and competitive bidding process for the acquisition and disposal of goods and/or services for the library;
- Ensure the objective and equitable treatment of all vendors, and to provide all qualified vendors with an opportunity to offer their goods or services to the Library;
- Ensuring that purchasing decisions comply with accessibility standard regulation requirements of the Accessibility for Ontarians with Disabilities Act (AODA).

Statement of Financial Principles and Responsibilities

According to the Public Libraries Act, R.S.O. 1990, CHAPTER P.44, Subsections 24.(1), 24.(2) the Grimsby Public Library Board has the fiduciary responsibility for the library's budget through estimating sums required for library operation; making submission of these to council, and for expending these amounts during the fiscal year. The Grimsby Public Library Board submits to the Town of Grimsby Municipal Council a balanced budget of estimates annually. The Board is responsible for ensuring the Grimsby Public Library has sufficient funds that the community is adequately served with financially viable and effective public library service, "a comprehensive and efficient public library service that reflects the community's unique needs" (subsection 20.(a)). Additionally, the Board ensures that the Grimsby Public Library endeavors to meet provincial standards.

Elected officials, appointed officers or employees of the Library shall not attempt to unduly influence its procurement procedures. Library board members are bound by the Municipal Conflict of Interest Act including disclosure of any pecuniary interest and avoiding discussion or voting on issues where they have a pecuniary interest.

As stated in the Accessibility for Ontarians with Disabilities Act (AODA) Accessibility Standard O.Reg 191/11, a designated public sector organization shall incorporate accessibility criteria and features when procuring or acquiring goods, services or facilities except where it is not practicable to do so. As stipulated in the Town of Grimsby By-law 04-119 use of the appropriate Procurement Accessibility Checklists shall be used where accessibility of the purchased or contracted good or service may have an impact on staff or the public. If it is not practicable to use Procurement Accessibility Checklists as an implement to incorporate accessibility, an explanation will be provided, upon request.

Purchasing Principles

The CEO/Chief Librarian is given the authority and responsibility to purchase goods and services on behalf of the Library in accordance with the requirements of this policy and to act on behalf of the Library when entering into contracts with third parties for the purchase and disposal of all goods and services.

The CEO/Chief Librarian may delegate to an employee or employees of the Library all or part of the authority to purchase goods on the understanding that employees use their own judgment to promote the objectives of this policy in any competitive or direct purchase.

Purchases Not Exceeding \$5,000

Goods and services with an estimated total purchase price not exceeding \$5,000 shall be obtained by the CEO/Chief Librarian through an acceptable method of purchase and shall be so documented.

Where possible, three informal quotes shall be obtained for purchases of items with a unit value of more than \$2,500. The supplier shall be selected within terms and conditions as determined by the CEO/Chief Librarian or their designate with attention to the lowest possible cost, consistent with needs of the user with regard to durability, performance, prior experience, delivery and service capability.

Purchases Exceeding \$5000 but Not Exceeding \$20,000

A minimum of three (3) written quotations, where possible, shall be obtained for purchases valued between \$5,000 and \$20,000 and shall be so documented. The supplier shall be selected within terms and conditions identified within this policy as determined by the CEO/Chief Librarian or their designate.

Purchases Exceeding \$20,000 but Not Exceeding \$100,000

The CEO/Chief Librarian will initiate a formal tendering process for purchases exceeding \$20,000. Where the compliant quotation meeting specifications and offering the best value to the Library is acceptable, the CEO/Chief Librarian shall make a recommendation concerning the award to the Board. An award exceeding \$20,000 is subject to Board approval.

Purchases Exceeding \$100,000

The CEO/Chief Librarian will initiate a formal tendering process for purchases exceeding \$100,000 and comply with Free Trade agreements such as CETA in all contract tendering. Where the compliant quotation meeting specifications and offering the best value to the Library is acceptable, the CEO/Chief Librarian shall make a recommendation concerning the award to the Board. An award exceeding \$100,000 is subject to Board approval.

In keeping with the Accessibility for Ontarians with Disabilities Act (AODA) Accessibility Standard O.Reg 191/11 and as stipulated in the Town of Grimsby By-law 04-119 all advertisements related to the tendering process shall include text indicating that the tender is available in alternate formats upon request. Special consideration will be given to the ability of the bidder to provide accessible goods and/or services which can be modified to increase accessibility where needed.

Exceptions

Exceptions to the procurement methods may be used in the following circumstances provided the procurement methods are not employed for the purpose of avoiding competition between suppliers or to discriminate against suppliers:

1. Where an emergency occurs that, in the opinion of the CEO/Chief Librarian or their designate, constitutes immediate danger to health, safety, life or property, which requires the immediate procurement of goods and services, the CEO/Chief Librarian or their designate may purchase such goods or services by open market procedure regardless of the amount of the expenditure. The Library Board must be notified of this purchase as soon as possible.

2. The Board may make an exception where consulting services or goods regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through an open tendering system could be reasonably expected to compromise governance confidentiality; cause economic disruption or otherwise be contrary to public interest.
3. Preferred vendor arrangements: The primary example of such an arrangement in the Library is in the acquisition of materials for the library's physical and electronic collections. Relationships with vendors/suppliers are long standing. Ongoing relationships with vendors are essential to ensure continuity of order history and accuracy of electronic purchases and records.
4. The Library is committed to the purchase of goods and services with due regard to the preservation of the natural environment and to encourage the use of environmentally friendly products and services.
5. Where only one supplier is able to meet the requirements of procurement, that is, a sole source procurement in the following circumstances:
 - a. To ensure compatibility with existing products, to protect exclusive rights such as copyright, patent or exclusive licenses or to maintain specialized equipment/product/services that must be maintained or can only be provided by the manufacturer or its representative;
 - b. To maintain the validity of warranties or guarantees;
 - c. For goods purchased under exceptionally advantageous circumstances, such as goods which are the subject of bankruptcy receivership liquidation;
 - d. Where there is an absence of competition for technical or other reasons and only a particular supplier can supply the goods or services;

Additionally, items listed in Appendix "A" are excluded from the requirements of this policy. Notwithstanding, the CEO/Chief Librarian is expected to provide details to the Board of any contractual arrangements under Appendix 'A' with third parties that exceed \$20,000 annually or are for more than one year. Such details will be provided prior to the onset of the contract arrangement.

Negotiation

The CEO/Chief Librarian is authorized to enter into negotiations without formal competitive bids, under the following circumstances:

- When an event which could not be foreseen occurs that is a threat to public health, service, welfare or public property, and requires the immediate delivery of supplies or performance of service;
- When competition is precluded because of the existence of a sole source, patent rights, copyrights, secret processes, control of basic raw material or similar circumstances;
- When bids have been solicited and no responsive bid has been received, or the lowest bid received exceeds the estimated cost, or the lowest bids received are identical;
- When all bids fail to comply with the specifications or conditions and it is impractical to recall;
- When the extension or reinstatement of an existing contract would prove most cost-effective or beneficial. The extension shall not exceed one year;

- When a fluctuating market prevents the CEO/Chief Librarian from obtaining price protection or owing to market conditions, required goods or services are in short supply.

Co-operative Purchasing

The CEO/Chief Librarian may enter into arrangements with municipalities, local boards and other public bodies or public authorities on a co-operative or joint venture basis where there are economic advantages and where the best interests of the Library would be served in so doing; providing that under such arrangements the method of acquisition used is a competitive method similar to that described in this policy; and the awarding and reporting of such contracts is generally in accordance with the requirements of this policy.

Prohibitions

- Subject to the Municipal Conflict of Interest Act, no employee or member of the Board or officer of the Library will become interested directly or indirectly as a contracting party or otherwise in or in the performance of the contractor or in the supplies, goods, or business to which it relates or in any portion of the profits thereof, or in any such supplies to be used therein or in any of the monies to be derived therefrom.
- No employee or member of Library, Board or Town Council, shall bid on the sale of goods except those disposed of by public auction.
- The Library shall make no personal purchase for any employee or member of the Board, unless specifically authorized by the Board.
- No employee or member of the Board shall purchase or offer to purchase on behalf of the Board except as may be provided for in this policy.
- No requirement for goods or services shall be divided to avoid the requirements of this policy and the total project or annual requirement shall be considered.

Appendix A

Exemptions

The following items are excluded from the requirements of this policy in that the expenditures do not require a purchase requisition. Notwithstanding, it is expected that the objectives of this policy will be promoted in any expenditures for goods and services.

1. Petty Cash expenditures
2. Training and Education
 - a) Conference, Course, Convention and Seminar
 - b) Magazines, Books, Periodicals, Subscription
 - c) Membership
3. Refundable Employee Expenses
 - a) Advances
 - b) Meal Allowances

- c) Travel
- 4. Advertising
 - a) Classified advertising such as help wanted, for sale, etc.
 - b) Display advertising such as event notices
 - c) Public tender advertising
- 5. Special Fees
 - a) Counselling service
 - b) Medical service
 - c) Banking, brokerage or underwriting service.
 - d) Insurance and related costs (Liability, Property etc., Premiums, Payments and Adjusting Fees)
- 6. Professional Fees
 - a) Consultant fee related to litigation
 - b) External auditor
 - c) Legal services fees
 - d) Ontario Land Surveyor
 - e) Property Appraisal
- 7. Utility Services
 - a) Gas and heating oil
 - b) Sewer and water
 - c) Postage and related costs
 - d) Hydro
 - e) Telephone