

**GRAND VALLEY PUBLIC LIBRARY BOARD**

**PROCUREMENT POLICY**

Approved by the Board

March 2013

Chair Signature: \_\_\_\_\_

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SECTION 1  
DEFINITIONS

In this policy:

**1.Acquisition**

means the process used for obtaining goods and services.

**2.Agreement**

means a legal document that binds the Grand Valley Public Library Board and all other parties, subject to the provisions of the contract.

**3.Annual Aggregate Value**

means the total amount anticipated to be spent annually by the Grand Valley Public Board on a particular type of good or service.

**4.Approval**

Means authorization to proceed with the purchase or disposal of goods and/or services.

**5.Bid**

Means an offer or submission received in response to a request for quotation, tender or proposal which is subject to acceptance or rejection.

**6.Bid Irregularity**

Means a deviation between the requirements (terms, conditions, specifications, special Instructions) of a bid request and the information provided in a bid response.  
(See Appendix B)

**7.Bid Request**

Means a written request for bids or a solicitation, which may be in the form of a Request For Quotation, Request for Tender or a Request for Proposal.

**8.Blanket Order (Supply Contract)**

Means a Purchase Order which establishes prices or a method for determining prices, Terms and conditions and the period of time which a vendor agrees to provide goods and Services to the purchaser upon the purchasers demand.

**9.Board**

Means the Trustees of the Grand Valley Public Library Board appointed by the Council of The Town of Grand Valley.

**10.Chief Executive Officer (CEO)**

Means the Chief Executive Officer of the Grand Valley Public Library Board.

**11. Contract**

Means a legally binding agreement between two or more parties. Such agreements will consist in the form of a formal agreement between two or more parties that creates an obligation to provide defined goods and/or perform defined services.

**12. Conflict of interest**

Refers to a situation in which private interest or personal considerations may affect an employee's judgment in acting in the best interest of The Grand Valley Public Library. It includes using an employee's position, confidential information or corporate time, material, or facilities for private gain or advancement or the expectation of private gain or advancement. A conflict may occur when an interest benefits any member of the employee's family, friends or business associates.

**13. Corporate Signing Officers**

means the CEO and the Board Members designated by the Board or this policy.

**14. Cost Effective Bid**

means a bid received in response to a request that offers the best value for the dollars expended taking into consideration a quantitative and qualitative selections procedure.

**15. Council**

means the Council for the Municipality of the Township of East Luther Grand Valley.

**16. Co-op**

means a Co-operative acquisition venture.

**17. Department Head**

means the CEO who is responsible for direction and operational control of the Library or a authorized designate.

**18. Designated Signing Authorization**

provides the authority for the CEO and members of the Board to execute legally binding contracts, on behalf of the Grand Valley Public Library. Thresholds governing signing authorizations are as follows:

**a: Purchase Requisitions:**

\$0 - \$5,000 - CEO  
\$5,000 & above - CEO & Chair

**b: Agreement Contracts:**

\$0 & above - CEO and Chair

19. **Direct Appointment**  
means to directly appoint a consultant on the basis of defined selection criteria, including but not limited to qualifications and experience.
20. **Disposal**  
means the removal of materials owned by the Library, which are deemed surplus, by sale, trade-in, auction, alternative use, gift, or destruction.
21. **Emergency**  
means a situation where the purchase of goods and services requires immediate action to prevent or correct dangerous or potentially dangerous safety conditions, further damage, to restore minimum service to ensure the safety of the public.
22. **Execute**  
means to legally bind The Grand Valley Public Library Board to the terms and conditions defined within the Agreement.
23. **Expression of Interest**  
means a situation where vendors are solicited by the Board to advise the Board of their ability or desire to undertake Board requirements.
24. **Goods and /or Services**  
includes supplies, equipment, property insurance, maintenance, professional and consulting services and service contracts not otherwise provided for.
25. **List of Bidders**  
means a list, retained by the CEO of those vendors who are interested in submitting bids.
26. **Lowest Responsive Bid**  
means the lowest bid price submitted which meets the requirements and specifications as set out in the bid request, minor deviations excepted.
27. **Material Safety Data Sheets (MSDS)**  
means Material Safety Data Sheets which must be submitted by the vendor for all hazardous materials, including an index of chemical compounds with details of properties, handling details, precautions and first-aid procedures.
28. **Municipality**  
means the Corporation of the Municipality of the Town of Grand Valley.

29. **Negotiation**  
means the action or process of conferring with one or more vendors leading to an agreement on the acquisition of the required goods and services under the conditions outlined in the Policy.
30. **Open Market Procedure**  
means obtaining price quotations from vendors verbally or in writing.
31. **Privilege Clause**  
means the standard clause used in bid documents and advertising that reads in part A the lowest or any tender not necessarily accepted.
32. **Procure/Procurement/Purchase**  
means to acquire by purchase, rental, or lease of goods and/or services.
33. **Professional and Consulting Services**  
includes architects, auditors, engineers, designers, planners, surveyors, management and financial consultants, brokers, legal services, and any other professional and consulting services rendered on behalf of the Library Board
34. **Proposal (Request for Proposal - RFP )**  
means an offer to provide goods or services to the Library Board, where it is not practical to prepare precise specifications, or where >alternatives= to detailed specifications will be considered, which may be subject to further negotiation. This process allows vendors to propose solutions to arrive at the end product, and allows for evaluation on criteria other than price.
35. **Purchase Order**  
means a written offer to purchase goods and services or a written acceptance of an offer where such offer has been made on forms prescribed by the Library Board.
36. **Purchase Requisition**  
means a request for goods and/or services initiated by the CEO for which budget approval has been granted
37. **Purchasing Co-ordinator**  
means the designated person, who is responsible for the Library Boards centralized purchasing function and is hereby authorized to act as agent in all such matters pertaining thereto.

38. **Quotation (Request for Quotation - RFQ)**  
means an offer to sell goods and /or services to the Library Board or an offer to purchase surplus goods from the Library Board.
39. **Real Property**  
means land or buildings and any interest, estate or right of easement affecting same.
40. **Responsive and Responsible Vendor**  
means one who complies with the provisions of the bid solicitation, including specifications, contractual terms and conditions, and who can reasonably be expected to provide satisfactory performance on the proposed contract based on reputation or references, or performance on previous contracts, and adequate financial and other resources.
41. **Single Source**  
means there is more than one source in the open market but only for reasons of functions or service one vendor is recommended for consideration of the particular goods and/or services.
42. **Surety**  
means a specified dollar amount in the form of cash, certified cheque, bid bond, performance bond, labour and materials bond, letter of credit or any other form as deemed necessary and stated in any quotation, tender or proposal documents issued by the Library Board.
43. **Tender**  
means an offer received from a supplier of goods and/or services in response to a public advertisement requesting tenders sealed in an envelope.
44. **Treasurer**  
is the CEO, acting as Director of Finance/Treasurer for The Grand Valley Public Library Board.
45. **Verbal Quotation**  
means the requisitioning department will receive pricing via telephone or in person, and will retain written documentation of the conversation and document the information on the requisition.

## **SECTION 11**

### **PROCUREMENT PRINCIPLES AND GOALS**

The purchasing principles of The Grand Valley Public Library Board are as follows:

1. To procure by purchase, rental or lease, the required quality and quantity of goods and/or services, including professional and consulting services in an efficient, time and cost effective manner;
2. To encourage open competitive bidding for the acquisition and disposal of goods and services where practicable;
3. To consider all costs, including, but not limited to, acquisition, operating, training, maintenance, quality, warranty, payment terms, disposal value and disposal costs, in evaluating bid submissions from qualified, responsive, and responsible vendors;
4. To give full consideration to the annual aggregate value or to consider the total project cost of specific goods and services that will be required by the Library as a whole prior to determining the appropriate acquisition method;
5. To co-ordinate purchases on a municipal-wide basis when appropriate in order to obtain available volume discounts and best possible price;
6. To monitor and report on the economic climate and legislative changes which may have an impact on The Grand Valley Public Library Board and to determine the appropriate actions to be taken through purchasing policies and procedures.
7. To encourage the procurement of goods and services with due regard to the preservation of the natural environment, vendors may be selected to supply goods made by methods resulting in the least damage to the environment and supply goods incorporating recycled materials where practicable;
8. To review this policy during each term of the Library Board to evaluate its effectiveness, to ensure that the procurement limits meet the needs and requirements of the Library and to operate in an efficient and effective manner.



**SECTION 111**  
**GENERAL CONDITIONS**

1. In the absence of the Purchasing Coordinator/Treasurer, an authorized designate will be appointed.
2. Where the CEO is authorized to undertake any act pursuant to this Policy, such act may be undertaken by the CEO's authorized designate.
3. Any commitments being made where it is recommended that a contract be executed by the CEO must first be approved by the Library Board.
4. Where it is recommended that a contract other than a purchase order be executed, it will be authorized:
  - a: for contracts **under** \$50,000 - by the CEO and designated signing officers after being approved by the Library Board.
  - b: for contracts **over** \$50,000 - by the CEO and designated signing officers after being approved by the Library Board and submitted to Council for approval.
5. No expenditure or commitment shall be incurred or made and no account shall be paid by the CEO for goods and services, except as approved by the Library Board or as otherwise authorized in accordance with this policy.
6. The CEO in consultation with the Library Board may remove a vendor's name from the list of bidders for a period of up to two years on the basis of documented poor performance, non-performance, or conflict of interest. A written notice of the decision will be provided to the vendor by the CEO.
7. Material Safety Data Sheets must be maintained on file by the CEO for all relevant products, whether acquired through tendering, quoting or the proposal process.
8. When using the privilege clause which read in part "the lowest or any tender may not necessarily be accepted", the specific reasons must be stated why the bids may not be accepted, or were not accepted.
9. The CEO will assist in developing evaluation criteria and submission analysis for all procurement needs.
10. Prior to awarding any procurement of goods and /or services, the CEO will forward recommendations to the Library Board for final review and comments.

11. No employee or elected official shall purchase or offer to purchase, on behalf of the Board, any goods and services, except in accordance with this Policy.
12. Appointed Board members shall not approve nor acquire any goods and services.
13. Any employee who intentionally and knowingly acquires or disposes of any goods and services for the Library Board in contravention of any section of this Policy, as amended from time to time, shall be subject to disciplinary actions in accordance with the Library Board policies.
14. All petty cash purchases must exclude tendered goods and services.
15. No requirements for goods and services may be divided into two or more parts to avoid the provisions of this policy. Pre-approved Acquisitions purchases done in bulk and within budget allotments will be exempted from the purchase requisition requirements.
16. The CEO shall not award a contract where the Library Board has determined that the provisions of the Policy have not been adhered to and have so advised the CEO.
17. The CEO shall reject all purchase requisitions for services where the services could result in the establishment of an employee-employer relationship.
18. That Schedules A-E (attached hereto) may be amended provided such amendments have been approved by the Library Board and amended Schedule(s) has been circulated to affected staff.

**SECTION 1V**  
**REQUIREMENT FOR APPROVED FUNDS**

1. Expenditures are authorized by the Library Board each year as part of either the Operating or Capital Budget process. Pending Council's approval of the proposed budgetary estimates, the CEO is authorized to spend up to 50% of the previous year's Operating Budget. The CEO is not authorized to overrun operating budgets, except in accordance with this Policy.
2. The exercise of authority to award a contract is subject to the identification and the availability of sufficient funds in appropriate accounts within the Library Boards approved Operating budget or Capital Budget.
3. Where goods and services are routinely purchased or leased on a multi-year basis, the exercise of authority to award a contract is subject to:
  - a: the identification and availability of sufficient funds in appropriate accounts for the current year within the Library Boards approved estimates, and
  - b: the requirement for the goods or services will continue to exist in subsequent years and, in the opinion of the CEO the required funding can reasonably be expected to be made available.

The CEO may reject all purchase requests for which sufficient funds are not available and identified. If the CEO advises the Library Board that the deficiency is minimal and alternate funding has been identified, the purchase request may proceed provided appropriate authorizations are met in accordance with this Policy.

The CEO will ensure that all lease commitments comply with the Municipal Act 2001 as amended, and regulations made there under.

4. Where this Policy prescribes financial limits on contracts, which may be awarded under the authority of the CEO, or provided for financial limits on contracts required to be reported to the Library Board, for the purpose of determining whether a contract falls within these prescribed limits, the contract amount shall be the sum of:
  - a: all costs to be paid to the supplier under the contract excluding all taxes,
  - b: less any rebates.

## **SECTION V SPECIFICATIONS**

1. The CEO whose budget provides for the procurement of goods and services shall be responsible for the preparation and approval of all specification and /or Terms of Reference (Scope of Work) to be used for the procurement of such goods and services.
2. Where practical, specifications or Terms of Reference should be considered that are detailed, but not brand specific to leave room for potential vendors to provide alternatives in the event an equal or better-proven product or method is available.
3. Vendors or potential vendors should not be requested to expend time, money or effort on design or in developing specifications or otherwise help define a requirement beyond the normal level of service expected from vendors.

When such services are required:

- a: the CEO shall notify and advise the Library Board,
- b: the contracted vendor will be considered as a consultant and unable to make an offer for the supply of the goods and services.
- c: a fee shall be paid,
- d: the detailed specifications shall become the property of the Library Board for use in obtaining competitive bids.

## **SECTION VI STANDARDIZATION**

It will be the policy of The Grand Valley Public Library Board, that wherever possible, to standardize the procurement of goods and services to allow for:

1. reduced number of goods and services required,
2. increased volume on common items or services,
3. maximizing volume buying opportunities,
4. providing economies of scale,
5. reduced handling, training and storage costs,
6. minimizing maintenance costs,
7. co-operative purchasing activities,
8. competitive bid results,
9. reduced overall cost.

**SECTION V11**  
**RESPONSIBILITIES AND AUTHORITIES**

1. The CEO has the responsibility for procurement activities within the library and is accountable for determining and achieving specific objectives as outlined for each procurement project.
2. The CEO has the authority to award contracts in the circumstances specified in this Policy, provided that the delegated power is exercised within the limits prescribed in this Policy and the requirements of this policy are met.
3. The CEO is responsible for:
  - a: providing procurement advice and services to the Library Board,
  - b: monitoring compliance with this Policy.
4. The CEO shall inform the Library Board that non-compliance with this Policy has occurred.
5. For awards of value \$50,000 or Less:
  - a: The CEO shall execute all purchase orders provided that the approved purchase requisition and requirements of this Policy are met;
  - b: The CEO shall execute all related agreements.
6. The CEO has the authority not to award a contract and may submit recommendations to the Library Board for approval and may provide additional restrictions concerning procurement where such action is considered necessary and in the best interest of the Library Board.
7. The CEO is required to forward to the Library Board a copy of all legally executed contracts, relating to the procurement of optional goods and services.

**SECTION V111  
METHODS OF PROCUREMENT**

Notwithstanding any other provisions of this Policy, the acquisition of the items listed in *Appendix A* does not fall under the guidelines of the Purchasing Policy, and shall be subject to applicable Policies and Procedures established from time to time. Procurement by means of a lease agreement is also addressed separately in *Schedule E*.

**1. Procurement of goods and/or services**

Where the required product or service can be specified, (and such goods and services are not stocked in the central stores or covered by a Blanket Purchase Order), it shall be acquired by Purchase Requisition.

Where it is estimated that the value of the goods and services, inclusive of all delivery charges will cost:

- a: **\$0 to \$500**      Direct acquisition is acceptable  
**No purchase requisition is required**
  
- b: **\$500 to \$5,000**    - The CEO will obtain 3 quotations where possible and practicable,  
- The CEO will report to the Library Board for approval  
**The purchase requisition shall act as the Purchase order**
  
- c: **\$5000 to \$10,000**    - The CEO shall obtain three (3) written quotations, where possible,  
(Using a Request for Quotation, invitational Request for Quotation or other method)  
- The CEO will report to the Library Board for Approval  
**A purchase requisition is used to initiate the process and A purchase order must be issued.**

**Where purchases are made based on price quotations offered to libraries through various consortia purchasing arrangements for goods or services specific to needs of the library (electronic programs , training, Material Acquisitions ) the CEO will continue to use these agreements. No sourcing of quotations needed as the competitive negotiations for discounts have been done.**

- d. **\$10,000 to \$50,000**      - The CEO shall issue a Request for Quotation. A minimum of three quotations, where possible and practical, are to be received before the Library Board commits to a Vendor. If only one quotation is received, the Library Board may exercise its right to cancel the call for Quotation. Quotations are not formally opened in public nor is it necessary to disclose prices or terms at the time of submission.  
  
- **A report to the Library Board is necessary,**  
- **A purchase requisition is used to initiate the process,**

**- A Purchased order must be issued.**

e: **Over \$50,000** The CEO in consultation with the Library Board shall issue a Tender for all approved projects based on defined requirements. Specifications are available to readily compare products.

Tenders require a reply by a designated date, and time, signed by a Corporate Officer, authorized to bind the Corporation. Any requested bid deposits, security or bonds must be included with the submission. Replies are delivered directly to the CEO and are opened at a public Library Board meeting. If only one tender is received, the Library Board has the option of not opening the bid, and closing the call for tender.

Each sealed bid received in response to a formal bid request is reviewed to determine whether a bid irregularity exists, action is taken according to the nature of the irregularity (See Appendix B)

**The CEO shall prepare a report for the Board's consideration and approval.**

**Upon the Library Board's approval, the CEO shall ensure that a legally binding agreement is executed by the Chair and/or Signing Officers, and a purchase order is issued.**

**The CEO is responsible for maintaining current insurance, certificates and WSIB certificates, as called for in the bid documents.**

**2. REQUESTS FOR PROPOSALS  
(INCLUDING THE ENGAGEMENT OF PROFESSIONAL AND CONSULTING SERVICES)**

This method of acquisition can be used for any dollar value and involves the solicitation of proposals when the requirements for goods and /or services cannot be definitely specified. The requirements of the Library Board are best described in general performance specifications, and innovative solutions are sought. Depending on its terms, the process may involve negotiations subsequent to the submission of proposals on any or all of the specifications, contract terms, and prices.

**(Optional)**

The CEO shall maintain a list of suggested evaluation criteria for assistance in formulating an evaluation scoring scheme using a standard Request of Proposal that includes factors such as qualification and experience, strategy, approach, methodology, scheduling, and past performance, facilities and equipment. The CEO shall identify appropriate criteria from the list but is not limited to the standard criteria from the list.

Requests for Proposals are not formally opened in public nor is it necessary to disclose prices or terms at the time of submission. If only one proposal is received, the CEO, in consultation with the Library Board, has the option of not opening the bid and closing the call for proposal (See Appendix C)

Where the required goods or service cannot be specified and it is estimated that the value of the goods and services (excluding all taxes) cost:

**A: \$10,000 or less**

1. A written quotation must be acquired by the CEO,
2. A report to the Library Board is required,
3. A purchase requisition is required,
4. A purchase order must be issued,
5. The CEO must execute a contract.

**b: \$10,000 to \$50,000**

1. Written quotations shall be advertised through the Request for Proposal (RFP) process and evaluated on the basis of quantitative and qualitative criteria,
2. A report to the Library Board is required for consideration and approval,
3. A purchased order must be issued,
4. The CEO must execute a contract

**c: over \$50,000**

1. Written quotations shall be acquired through the Request for Proposal (RFP) process and evaluated on the basis of quantitative and qualitative criteria,
2. A report to the Library Board is required for consideration and approval,
3. A report is presented to Council,
4. Upon the Library Boards and Council's approval, a contract must be executed by the Chair and CEO



### **3. EXPRESSION OF INTEREST and/or REQUEST FOR PRE-QUALIFICATION**

Used where bidders offer their interest in submitting a bid on a product or service.

Advertised publicly, and information is requested to determine reference checks, past performance, and financial liability. A reply to the Request for Expression of Interest and/or Pre-Qualification is required by a designated date and time to the CEO, signed by an officer authorized to legally bind the corporation or business.

Submissions are reviewed and subsequently a Request for Quotation or Tender is prepared for a short list to invited pre-qualified bidders.

See Methods of Procurement - Summary Template

### **4. EXCEPTIONS TO METHODS OF ACQUISITION**

#### **A: VOLATILE MARKET CONDITIONS**

Notwithstanding the provisions of this policy, where market conditions are such that long term price protection cannot be obtained for goods and/or services, the CEO will obtain competitive prices for short term commitments until such time as reasonable price protection and firm market pricing is restored.

#### **B: SOLE SOURCE PROCUREMENT**

Purchase by negotiation may be adopted, if in the judgment of the CEO and in consultation with the Library Board, any of the following conditions apply:

- (i) goods and services are in short supply due to market conditions
- (ii) the sources of supply are restricted to the extent that there is not effective price competition, or consideration of substitutes is precluded due to any of the following:
  - a: components or replacement parts for which there is no substitute, or an item is covered by patent, copyright or exclusive license,
  - b: compatibility with an existing product, facility or service is required, to avoid violating warranty/guarantee requirements,
  - c: specific standards are adopted by the Library Board.

- (iii) there is documented evidence that the extension or reinstatement of an existing contract would prove most cost effective or beneficial, to a maximum of 10% of the original contract.
- (iv) work is required at a location where a contractor has already been secured through a tender process, with established unit prices by another party and it is considered to be beneficial and cost effective to extend the unit prices for the work to be completed for the Library Board.
- (v) after the RFP process has closed, it may be necessary for discussion to clarify and /or make significant revision(s) to the initially defined requirements of the call for quotations/proposals.
- (vi) when only one bid/proposal is received through the procurement process and it is impractical to recall the requirements of the call for quotations/proposals.
- (vii) when competitive procurement may be found impractical in particular circumstances such as :
  - a: training in areas that are library specific and are provided to libraries by organizations that do such training (SOLS; OLA),
  - b: computer and software purchases upgrades which require local expertise for technical assistance and knowledge of the existing system,
  - c: using local suppliers and local repairmen that are also used by the local municipality,
  - d: consortia (COOL) purchasing of products where the purchase price has been previously negotiated for the libraries of Ontario,
  - e: when an urgent procurement is necessary to fulfill requirements of a government funding initiative with very short deadlines or to fulfill a statutory order issued by a federal or provincial authority,
  - f: when procurement of goods/services are financed primarily from donations that are subject to conditions that are inconsistent with this policy.

## **C: EMERGENCY PROCUREMENT**

Notwithstanding the provisions of this policy, the following shall only apply in case of an emergency, when an event occurs that is determined by the CEO to be:

- < a threat to public health,
- < the maintenance of essential library services,
- < the welfare of persons or of public property,
- < the security of the libraries interests and the occurrence requires the delivery of goods or services and time does not permit for competitive bids or,
- < procurement is necessary to fulfill requirements of funding initiatives with very short deadlines.

The above criteria are to be applied on the basis of:

(I) **Procurement under \$50,000**

Wherever feasible, the CEO, upon the recommendation of the Library Board, shall secure by the most open market procedure at the lowest obtainable price, any goods and services required.

**A purchase order shall be issued.**

(ii) **Procurement over \$50,000**

- The CEO shall obtain the prior approval of the Library Board;
- An information report shall be submitted to the Library Board, explaining the actions taken, and the reason(s) therefore;
- **A purchase order shall be issued.**

## **D: CO-OPERATIVE OR JOINT VENTURES**

The Library Board may participate with other Government agencies or public authorities in co-operative procurement/acquisition ventures or utilize a "piggy back clause" within public and library sector contracts, whenever it is determined to be in the best interest of the Library Board to do so.

## **E: UNSOLICITED PROPOSALS**

Unsolicited proposals received by the CEO or the Library Board shall be reviewed by the CEO and the Library Board. Any procurement activity resulting for the receipt of an unsolicited proposal shall comply with the provisions of this Policy.

A contract resulting from an unsolicited proposal shall be awarded on a non-competitive basis only when the procurement requirements comply with the non-competitive procurement policies and procedures.

**F: VENDOR OF RECORD**

The Library Board relies on the services of a selected group of vendors for the provision of collection material and database services. These vendors have already established a satisfactory business relationship with the Library Board.

A vendor of record may be used to procure goods/services directly or as a basis for inviting proposals, bids or tenders from suppliers.

**G: DATABASE**

This is an organized store of library records that may be accessed and manipulated by a computer. The Grand Valley Public Library uses an Integrated Library Software System to maintain and control the database. The Library holds a contract for software support with an appropriate jobber for maintenance of the system.

**H: JOBBER**

This is a library wholesaler who provides library material such as books in a variety of formats. The use of a jobber has proven to be cost effective lowering administrative costs and attaining higher discounts. The Library Board has a standing agreement with the jobber to offer this service to the library at the best discounted price.

The CEO shall seek the lowest obtainable price with the best possible service delivery when choosing a jobber.

**SECTION IX  
BID ANALYSIS**

The analysis of bid responses shall be as follows:

1. Tenders shall be tabulated and analyzed by the CEO and a recommendation forwarded to the Library Board for review.
2. Bid responses dealing with the lease, rental or purchase of physical assets shall be tabulated and analyzed by the CEO, and a recommendation forwarded to the Library Board for review.
3. All other bid responses shall be tabulated and analyzed by the CEO in consultation with the Library Board.

**SECTION X  
REPORTING  
GOODS AND SERVICES AND PROFESSIONAL AND CONSULTING SERVICES**

1. Where the
  - a: value of the goods and services is less than \$50,000, and
  - b: procedures defined by this policy have been followed, and
  - c: acquisition is within the approved Library net budget amount, and
  - d: the lowest responsive bid is being recommended.

A report to the Library Board is required and the CEO shall arrange for a contract to be signed by the Corporate Signing Officer(s) and the CEO.

2. Board approval is required where the:
  - a: value of the goods and services is over \$50,000, or
  - b: purchase is for vehicles or heavy equipment, or
  - c: purchasing policy is being waived, or
  - d: acquisition exceeds the approved capital budget amount, or
  - e: lowest responsive vendor submission is not being recommended, or
  - f: there was no provision in the budget for the item, or
  - g: CEO requests that a report be presented to the Library Board for consideration and approval.

Based on the above criteria, a contract shall be executed by the Chair and the CEO in accordance to the reporting guidelines in this Policy.

3. All contracts will be held by the CEO with copies being available to the Library Board.

**SECTION XI  
DISPOSAL OF SURPLUS GOODS**

The CEO shall obtain the approval of the Library Board for the disposal and/or sale of surplus assets. Surplus goods shall be sold by public offering for sale, sealed bid or donated to a non-profit organization.

**SECTION XII  
CONFLICT OF INTEREST**

All consultants (eg: architects, engineers, etc) retained by the Library Board shall disclose to the Library Board prior to accepting an assignment, any potential conflict of interest. If such a conflict of interest does exist, the Library Board as directed by the CEO may, at its discretion, withhold the assignment from the consultant until the matter is resolved. And furthermore, if during the conduct of an assignment, a consultant is retained by another client giving rise to a potential conflict of interest, then the consultant shall so inform the Library Board.

## **SCHEDULE A**

### **GOODS AND SERVICES EXEMPT FROM PROVISIONS OF THE PROCUREMENT POLICIES**

#### **1. PETTY CASH ITEMS**

#### **2. TRAINING AND EDUCATION**

- (a) Conferences or conventions
- (b) Courses or seminars
- (c) Memberships
- (d) Periodicals, Magazines, or Subscriptions
- (e) Staff Training or Staff Development
- (f) Staff Workshops

#### **3. EMPLOYEE EXPENSES**

- (a) Advances
- (b) Meal allowances
- (c) Travel & Hotel accommodation
- (d) Entertainment
- (e) Miscellaneous- Non Travel
- (f) Travel Expenses - Mileage

#### **4. EMPLOYER'S GENERAL EXPENSES**

- (a) Payroll Deductions remittances
- (b) Licenses (Vehicle, elevators, radios, etc)
- (c) Debenture payments
- (d) Grants to agencies
- (e) Payments of damages
- (f) Tax remittances
- (g) Charges to/from other Government or Crown Corporations
- (h) Employee income

#### **5. PROFESSIONAL AND SPECIAL SERVICES**

- (a) Committee fees
- (b) Witness fees
- (c) Court reporters fees
- (d) Honoraria
- (e) Arbitrators
- (f) Legal settlements

#### **6. UTILITIES**

- (a) Postage
- (b) Water and Sewer charges
- (c) Heat/Hydro
- (d) Cable television charges
- (e) Telephone

#### **7. CONSORTIA AGREEMENTS**

- (a) Database
- (b) Collection Materials , Book
- (c) Electronic and software

## **SCHEDULE B**

### **BID IRREGULARITIES**

#### **BID IRREGULARITY**

A bid irregularity is a deviation between the requirements (terms, conditions, specifications, special instructions) of a bid request and the information provided in a bid response.

For the purpose of this policy, bid irregularities are further classified as A) major irregularities or b) minor irregularities.

A. A major irregularity is a deviation from the bid request that affects the price, quality, quantity or delivery, and is material to the award. If the deviation is permitted, the bidder could gain an unfair advantage over competitors. The CEO must reject any bid, which contains a major irregularity.

B. A minor irregularity is a deviation from the bid request, which affects form, rather than substance. The effect on the price, quality, quantity or delivery is not material to the award. If the deviation is permitted or corrected, the bidder would not gain an unfair advantage over competitors. The CEO may permit the bidder to correct a minor irregularity.

#### **MATHEMATICAL ERRORS - RECTIFIED BY STAFF**

The CEO will correct errors in mathematical extensions and/or taxes and the unit prices will govern. The responsibility for correcting mathematical errors may be delegated by the CEO.

#### **ACTION TAKEN:**

The CEO and the Library Board will be responsible for all action taken in dealing with bid irregularities, and acts in accordance with the nature of the irregularity:

- major irregularity (Automatic rejection)
- minor irregularity (Bidder may rectify)
- mathematical error (Additions or extensions) as above

In the event that the vendor withdraws his bid due to the identification of a major irregularity, the Library Board may disqualify such vendor from participating in further or future quotations/tenders/requests for proposals for a period of up to one year with the library.

See Bid Irregularities - Summary (p.1, p.2)



**SCHEDULE C**  
**TENDER PROCESS**

**Tenders will be called for all work, equipment and materials with a value exceeding \$50,000 by way of public advertising, or invitational bid, as outlined in the Library Board Purchasing Policy.**

The CEO will send a draft advertisement and tender documents to the Library Board for review, providing the following information:

- dollar value
- budget account and Board authority
- description of work
- closing date

The CEO will assign a number from the Tender Registry and provides assistance with documents, if required.

The CEO will advertise and distribute tenders, and book a suitable room for the tender opening:

- all public tenders are advertised on the Library website. Additionally, at the discretion of the CEO, tenders may be advertised in local, regional, and/or trade newspapers (2 days lead time required).

- In some instances the contract may be advertised to pre-qualify potential bidders. Pre-qualification of bidders includes the screening of potential vendors in which such factors as financial capability, reputation, qualified staff and equipment management and product quality are considered. After evaluation of responses, only those contractors who are pre-qualified are allowed to submit tenders.

Advertisements must include the following information (if applicable). Site meeting, time/ date/ location, contacts names for technical and purchasing inquiries, document fee (if applicable) and location for pick up and drop off of bid documents.

The closing date is usually 15 calendar days after date of issue. However, a tender may be closed in a shorter period of time depending on the urgency or complexity of the item(s) being tendered.

Advertised tender packages are available from the CEO , Grand Valley Public Library, 4 Amaranth St. E., Grand Valley, Ontario. The tender fee (if applicable) is paid to the CEO/Treasurer, and information is recorded from bidders as documents are picked up. A copy is available for viewing prior to purchase.

## **TENDER PROCESS (continued)**

All tender submissions must be addressed to the CEO, Grand Valley Public Library, 4 Amaranth St. E., Grand Valley, Ontario, L9W 5L2, and returned in the envelope provided with the tender package. The CEO will receive all sealed tender submissions and issue a date and time-stamped receipt.

The CEO will refuse to accept any tender submission that is

- not sealed
- received after the closing deadline
- submitted after a tender has been cancelled

Requests for withdrawal of a tender shall be allowed if the request is made before the closing time for the contract to which it applies. Requests must be directed to the CEO by letter or in person, by a senior officer of the company, with a signed withdrawal confirming the details. Telephone requests will not be considered. The withdrawal of a tender does not disqualify a bidder from submitting another tender on the same contract.

Tenders close at 12:00 noon on the appointed date, and are opened publicly at 12:10 pm (unless otherwise specified in the tender documents).

Each tender is reviewed to determine whether a bid irregularity exists, and action is taken according to the nature of the irregularity (see Appendix B)

Tenders are tabulated and evaluated by the CEO and the Library Board members present.

A report initiated by the CEO and reviewed by the CEO shall be prepared for the Board's consideration and approval.

Following the Library Board's approval, the CEO shall issue a purchase order, or ensure that a contract which legally binds the corporation is executed by the Chair and the CEO.

**Tender results, if requested, shall be made public by the CEO**

## **SCHEDULE D**

### **REQUEST FOR PROPOSAL PROCESS**

REQUESTS FOR PROPOSALS (RFP's) may be called instead of tenders, by way of public advertising or invitational bid, as outlined in the Library Board Purchasing Policy when:

- requirements or services cannot be definitively specified, or
- the requirements or services are non standard or specialized in nature, or
- the cost is only a minor component making up the award.

RFP's with a value over \$10,000 must be assigned an RFP number from the Registry maintained by the CEO. The following information must be provided:

- approximate dollar value,
- budget account and Board motion number,
- description of work,
- closing date.

The CEO will initiate the RFP process by preparing documents, with input and assistance from the Library Board or staff if required.

Prior to printing, documents must be submitted to the Library Board for review to ensure that all provisions other than specifications have been included in the proper format.

The CEO will advertise and distribute RFP packages.

All public RFP's are advertised on the Library website. Additionally, at the discretion of the CEO, RFP's may be advertised in a local, regional, and/or trade newspaper (2 days lead time required) Advertisements must include the following information (if applicable) site meeting, time/date/location, contacts names for technical and purchasing inquiries, document fee (if applicable) and location for pick up and drop off of bid documents.

The closing date is usually 15 calendar days after date of issue. However, an RFP may be closed in a shorter period of time depending on the urgency or complexity of the item(s).

Public Request for Proposal document packages is available from the CEO of The Grand Valley; Public Library Board, 4 Amaranth St, E., Grand Valley, Ontario.

RFP's must be addressed to the CEO. The CEO will receive all sealed submissions and issue a date and time-stamped receipt, if requested.

The CEO will refuse to accept any submission that is

- not sealed, - received after the closing deadline, - submitted after an RFP has been cancelled.

## **REQUEST FOR PROPOSAL PROCESS (continued)**

Requests for withdrawal of an RFP shall be allowed if the request is made before the closing time for the contract to which it applies. Requests must be directed to the CEO by letter, or in person by a senior official of the company with a signed withdrawal confirming the details. Telephone requests will not be considered. The withdrawal of an RFP does not disqualify a bidder from submitting another RFP on the same contract.

Proposals shall be opened at 12:00 noon on the appointed day for registrations of bids or at such time as may be set out in the RFP. Only names of bidders will be made public.

Proposals received shall be evaluated on the basis of quantitative and qualitative criteria by the CEO and the Library Board.

**RFP's with an anticipated value over \$50,000** require the CEO to review prior to issuance, and a report to the Library Board for consideration and approval prior to the award. Following the Library Board's approval, a contract must be executed by the Chair and the CEO.

Once an award is made by the Library Board, the report recommending an award shall be a matter of public record.

**RFP results, if requested, shall be made public by the CEO**

## **SCHEDULE E**

### **LEASES**

Leases are to be negotiated by the CEO. The recommendation will be forwarded to the Library Board for approval. As a general principle, lease shall be considered when the following conditions are applicable:

- < When the expenditure of the goods or services is less than the purchase of goods and services.
- < The residual payment on the lease is negligible or justification can be made to accept a residual payment that is higher.

Leases will be treated in the same manner as purchase, based upon the retail value of the lease payment, (e.g. A \$25,000 vehicle will be purchased through the tender process, even though the annual payment is less than the amount required to go tender).

At the expiration of a lease, a replacement goods or product be re-quoted or re-tendered. Automatic roll-over of a lease payment into a new product must be authorized by the CEO and The Library Board as appropriate.

The report to the Library Board recommending the entering into a lease agreement will require the CEO to include the following information:

- Value of product or service if being purchased,
- length of the lease,
- Monthly and annual lease payments,
- Residual Amount,
- Interest.

Once a lease has been negotiated and approved, a copy of the lease and documents must be kept on file by the CEO.