



Policy Type:	100 General Government
Policy Title:	06 Purchasing Policy
Authority:	
Resolution # <u>025-19</u>	

**Purpose:**

- To establish limits on purchasing authority so that the Rural Municipality of Beaver River No. 622 (“the RM”) may operate effectively and efficiently.

**Definitions:**

“**Council**” Means Council for the Rural Municipality of Beaver River No. 622.

“**Emergency**” Means a present or imminent situation or condition that requires prompt action to prevent or limit:

- 1) Loss of life;
- 2) Harm or damage to the safety, health or welfare of people; or
- 3) Damage to property or the environment.

“**Emergency Operational Purchase**” Is any purchase made by the Reeve or Administrator that is required in order to continue operations that is typically needed on short notice for repairs resulting from plant, equipment or infrastructure failures.

“**Professional Services**” Shall include the services of a Consultant, Engineer, Environmental Monitor, Solicitor, Auditor and Insurance Broker and any other professional services required by Council.

“**Spending Limits**” The maximum amount that can be expended without exceeding authority to do so.

“**The RM**” Means the Rural Municipality of Beaver River No. 622.

**Scope:**

All RM expenditures shall be made in accordance with this policy.

**Policy:**

- It is the policy of the RM to:
- Provide the Reeve, and the Administrator with discretionary purchasing authority congruent with their professional responsibilities to the RM.
- As such, the Reeve and Administrator shall ensure the financial resources of the RM are managed effectively and efficiently; that spending alternatives are examined prior to



expenditures taking place, that suppliers are treated equitably assuring no preferential treatment and taking into consideration the best interests of the RM.

### **Spending Limits:**

The Reeve shall have the authority to:

Authorize the following items at their discretion, without Council approval, a maximum amount of \$2,500.00:

- Supplies & small tools
- Equipment
- Custom work
- Office expenditures

The RM Administrator shall have the authority to:

Authorize the following items at their discretion, without Council approval, a maximum amount of \$2,500.00:

- Supplies & small tools
- Equipment
- Custom work
- Office expenditures

The RM Administrator shall have the authority, upon Council approval to:

- Conduct negotiations on behalf of the RM for the purchase, sale or exchange of land; secure options and purchases land under the direction of Council and execute agreements for the purchase, sale or exchange of land;
- Obtain standard right of way agreements and borrowing agreements.

The Reeve/Administrator's authority is subject to the following limitations:

- Council consultation and approval is required for all purchases/contracts/services greater than \$2,500.00.
- Resolutions of Council are required for ALL purchases/contracts/ services greater than \$25,000.00.
- All professional services regardless of the dollar value must be hired after Council approval.

The RM Council shall authorize the RM Solicitor to commence, defend or conduct any action or proceeding in any court or before any board or tribunal; and to settle any claims, grievances or lawsuits. The settlement of claims, grievances or lawsuits must be reported to RM Council for their information.

**Emergency Operational Purchases:**

- Should an emergency occur that requires an unforeseen purchase that is greater than \$2,500.00 but less than \$10,000.00 may be approved by the Reeve (Deputy Reeve in Reeve's absence) prior to any emergency operational purchase taking place.
- Should an emergency occur that requires an unforeseen purchase that is greater than \$10,000.00, the Reeve/Administrator must obtain Council approval prior to any emergency operational purchase taking place.