

**Sunshine Coast Regional Economic Development Organization  
Procurement Policy and Procedures**

- 1. Purpose of procurement standards.** The purpose of these standards is to establish procedures for SCREDO for the procurement of supplies and other expendable property, equipment, real property and other services.

- 2. Code of conduct.**

All elements of SCREDO *Conflict of Interest* Policy apply to the Procurement Policy and Procedures herein.

No SCREDO Director, official, employee or designated agent will take part or have an interest in the award of any procurement transaction if a conflict of interest, real or apparent, exists.

No SCREDO Director, official, employee or designated agent shall solicit or accept gratuities, favors or anything of monetary value from contractors, potential contractors, subcontractors or potential subcontractors.

Any SCREDO Director, official, employee or designated agent who knowingly and deliberately violates the provisions of this code will be open to civil suit by SCREDO without the legal protection of SCREDO. Furthermore, such a violation of these procurement standards is grounds for dismissal by SCREDO (if an employee) or such sanctions as available under the law (if an elected official).

- 3. General Spending Limitations**

Spending limits within this Procurement Policy are subject to SCREDO's Spending Authority Policy whereby:

**Individual**

Executive Director

The executive director has authority to commit funds of up to \$5,000 within the overall *administration budget*.

Committee Chair

Committee Chair's have the authority to commit funds of any value within the *committee discretionary administration budget*.

**Committee**

Committees, by majority vote, have the authority to commit funds up \$5,000 within the *overall budget of the committee*.

**Board**

All funding commitments over \$5,000 must be approved by board resolution.

All funding commitments over \$25,000 must be submitted to a public Invitation for Bid (IFB) process.

**Small Purchase Procedure:** For purchases equal to or lesser than \$25,000, a small purchase procedure is sufficient as detailed below.

**Competitive Purchase Procedure:** For purchases equal to or greater than \$25,001, a competitive bidding process is required for determining a supplier as detailed below.

#### 4. **Methods for Procurement**

##### **Small Purchase Procedure**

Purchases which cost between \$500 and \$5,000 will require, at minimum, two over-the-phone quotations of rate, price, etc. A memorandum will be prepared setting forth the date calls were made, parties contacted, and prices obtained. For purchases of less than \$500, efforts will be made to get the lowest and best price, but written records of such efforts are not necessary unless otherwise required by SCREDO Board of Directors.

Purchases of goods or services which cost between \$5,001 and \$24,999 require written estimates but no service procurement advertisement is required. SCREDO will solicit written responses from at least three vendors, and if no such responses are available, a statement explaining the procurement will be prepared and filed with SCREDO Board of Directors.

##### **Competitive Bidding Process for Supplier Selection**

When the cost of a contract, lease or other agreement for materials, supplies, and contracted services exceeds \$25,000, an Invitation for Bids (IFB) notice will be prepared. The IFB will be publically published for no less than seven (7) days and not more than twenty-one (21) days before the due date for bid proposals. SCREDO may also solicit sealed bids from responsible prospective suppliers by sending them a copy of such notice.

The IFB will include:

- (a) A clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description shall not contain features which unduly restrict competition.
- (b) the time and place for opening bids
- (c) whether the bid award will be made on the basis of the lowest price or the lowest evaluated price (taking into account non-monetary value). If the lowest evaluated price is used, the measurable criteria to be used must be stated in the IFB.
- (d) language which calls to the attention of bidders, all applicable requirements which must be compiled in the bid application package.

SCREDO may cancel an Invitation for Bid or reject all bids if it is determined that such is in the best interests of SCREDO. Bidders will be notified in writing of such cancellation or rejection. SCREDO may allow a vendor to withdraw a bid if requested at any time prior to the bid opening. Bids received after the time set for bid opening, shall be returned to the vendor without SCREDO consideration in the Competitive Bidding Process.

### **Non-competitive Negotiations**

Non-competitive negotiations may be used for procurements in excess of \$5,000 when bidding is not feasible. SCREDO may purchase goods and services through non-competitive negotiations when it is determined in writing by quorum of SCREDO Directors, or SCREDO Executive Committee, that competitive negotiation or bidding is not feasible in the following circumstances:

- (a) An emergency exists which will cause loss of safety or security as a result of the delay caused following competitive purchasing procedures; or,
- (b) The product or service can be obtained only from one source; or,
- (c) Only one satisfactory proposal is received through IFB.

Procurement by non-competitive negotiation requires strictest observance of impartiality towards all suppliers. SCREDO must approve all procurements by non-competitive negotiations when only one supplier is involved or only one bid or response to an IFB is received.

### **Contracts**

All procurement by way of the Small Purchase Procedure, Competitive Bidding Process, or Non-competitive Negotiations, will be supported by a written contract. Where it is not feasible or is impractical to prepare a contract, a written finding to this effect will be prepared and filed with SCREDO.

All contracts will contain:

- (a) Details of the exchange including supplier and recipient name/address/contact information, exchange description (what service or good for what dollar value), terms of payment, and any other factual details as deemed appropriate by SCREDO;
- (b) Language which allows SCREDO to cancel any contract for cause including but not limited to demonstrated lack of ability to provide the service or good specified, unwillingness to complete the work in a timely fashion, cancellation of liability insurance or any other relevant compensations, failure to keep accurate and timely records and failure to make those records available to SCREDO upon request.

## **5. Documentation**

All source documents supporting any given transaction (receipts, purchase orders, invoices, IFB data and bid materials) will be retained and filed in an appropriate manner. The purpose of this section, irrespective of the manner in which documents are retained and filed, is to ensure that a clear and consistent audit trail is established. At a minimum, source document data must be sufficient to establish the basis for selection, basis for cost, (including the issue of reasonableness of cost), rationale for method of procurement and selection of contract type, and basis for payment

**6. Supplier Preference**

Positive efforts shall be made by SCREDO to utilize local businesses whenever possible.