



Procurement

This policy governs the acquisition of goods and services for Vancouver Island Regional Library (VIRL). VIRL is committed to ensuring goods and services are procured through fair, open, transparent competitive processes, while embracing social, ethical and environmental responsibilities.

Legislation and Trade Agreements

VIRL acquires goods and services within the parameters of relevant trade agreements, laws and regulations. In the event there is any conflict between this policy and a trade agreement, law or regulation, the relevant agreement, law or regulation will apply.

Purchasing Principles

1. Goods and services will be procured in an efficient, timely and cost-effective manner.
2. VIRL's procurement processes will ensure fairness, objectivity and transparency, and ensure procurement activities are free of conflicts of interest.
3. Ensure maximum value is obtained during the acquisition of goods and services and the disposal of unneeded goods, to minimize the total cost of ownership.
4. Ensure social and environmental impacts are considered in the acquisition and disposal of goods and services, and that opportunities are sought to work with cooperative, non-profit, social impact, Indigenous-owned and local businesses.
5. VIRL will join and participate in cooperative purchasing partnerships that provide advantages for cost, effort and social impact.
6. VIRL's Procurement Division will maintain clear processes and procedures to ensure all employees understand how to responsibly and efficiently source the goods and services needed to conduct the work of VIRL.
7. Ensure VIRL is not unduly exposed to risk.

In addition to the principles outlined above, VIRL employees will demonstrate ethical purchasing behaviour including:

1. **Declaration of Interest:** An employee who has a direct or indirect interest with the supplier must disclose this relationship and will be excluded from the quote or tender process.
2. **Confidentiality and Accuracy of Information:** The confidentiality of information received in the course of duty must be respected and must not be used for personal gain; information given must be fair and not designed to mislead.

Authority

All staff members purchasing goods and services must have formal authorization to do so, as outlined in *Appendix A - Purchasing Authority* and *Appendix B - Thresholds for Competitive Processes*.

Competition

The method of procuring goods and services will be competitive wherever practical to:

- Reduce costs to the public;
- Encourage innovation and efficiencies;
- Comply with applicable legislation and trade agreements;
- Demonstrate fair and open selection criteria;
- Achieve social and environmental benefits.

The level of competition required for VIRL purposes is based on the dollar value and nature of the purchase to ensure the cost associated with administering a competitive process is proportionate to the benefit received as a result of the competition. Details are outlined in the *Appendix B - Thresholds for Competitive Processes*.

Documentation

All steps in the procurement process will be documented in writing to ensure fairness, objectivity, and transparency. VIRL is subject to the Freedom of Information and Protection of Privacy legislation, therefore purchasing decisions will be subject to public scrutiny from time to time.

The Director of Finance will ensure accurate records are retained of all contracts.

Methods of Purchase

The majority of purchases will be purchased under the following methods:

- Informal Quotes: low dollar value quotes received verbally or online from multiple sources;
- Formal Quotes: written quotes from a minimum of three suppliers;
- Request for Quote or Invitation to Tender: a more formal quote process for the provision of defined goods and services;
- Expression of Interest: a less formal process used to find solutions to business needs;
- Request for Proposal: a formal process for the award of larger or more complex purchases where different options are available; and
- Request for Tender or Invitation to Tender: a formal process for large purchases where specifications and results are known.

Exemptions

There are specific purchases which may be excluded from the recommended methods of purchasing, including recurring and non-competitive expenditures, such as:

- Advertisements
- Banking services
- Digital library materials
- Employee benefits
- Insurance
- Legal
- Licenses and permits
- Periodicals, magazines and subscriptions
- Postage
- Telecommunications and internet
- Training and education (e.g. conventions, courses, professional memberships, seminars, staff training costs)
- Travel and accommodations
- Utilities (e.g. hydro, fuel, water, sewer, garbage and recycling)
- Vehicle & equipment rental, repairs and maintenance
- Mutually agreed upon leasehold improvements performed by landlords (performed within the guidelines of their own purchasing policies)
- Work performed under facilities maintenance agreements
- Land or leased space where a temporary or permanent library branch will be located
- Services undertaken by agents or brokers on VIRL's behalf
- A statutory requirement for procurement, such as a statutory order issued by a government authority related to environmental, public health, or workplace safety compliance
- A market-based condition, such as a monopoly or a product in short supply due to market conditions
- The purchase of goods and services using co-operative consortium buying procedures with other municipal or government bodies and agencies as may be deemed advantageous to the Board
- Purchases as specified through a donation

Standardization

VIRL employs the use of standardization for certain goods and services in order for equipment to be interchangeable between branches, reduce costs and administration. The criteria used for standardization includes the following:

- Common usage
- Ease of distribution
- Reduced maintenance and service costs
- Reduced need for training
- Economies of scale

Standardization includes but is not limited to information technology, software, furniture and furnishings, telecommunications equipment and other items designated specifically as a standard item.

Emergency Purchases

Emergency purchases (where staff or public safety is in question, or damage to library facilities is occurring or likely to occur) will be made as required and will be duly authorized. Where there is an immediate need of materials, equipment and/or services VIRL may make a commitment through negotiation and with the goal of obtaining the best value for VIRL. The Executive Director will be advised of emergency purchases at the earliest opportunity.

Consultant Services

Consultants are individuals or firms that provide technical and professional services for:

- The design, planning, surveying, construction, purchase or operation of facilities and equipment;
- The guidance of management in specialized areas such as, but not limited to strategic planning, policy development, operational reviews, technical advice and information systems; and
- The supplementing and assistance to VIRL in the execution of projects through pursuing construction, technical, and project management services.

When a consultant is required to provide services for a specific project, a consultant may be selected based on staff's knowledge of the available and qualified professionals in the marketplace subject to the thresholds outlined in *Appendix A - Purchasing Authority*.

Sole or Single Source

The requirement for competitive bidding may be waived and an award directed to a specific supplier under certain conditions. Sole or single source awards are appropriate in the following circumstances:

- **Sole Source**
Only one qualified vendor possesses the unique and singular available capability to meet the requirements of the solicitation, such as technical specifications or ability to deliver at a particular time.
- **Single Source**
Several qualified suppliers possess the availability and capability to meet the solicitation requirements; however only a single supplier is selected for an award through negotiation.

Sole and single source requisitions above the thresholds laid out in *Appendix B - Thresholds for Competitive Processes* must be documented by the budget holder and approved by the Director of Finance and Executive Director. Documentation must include the justification and authorization for the award. Allowable justifications include but are not limited to:

- An integral repair part or accessory compatible with existing equipment (alternative may void manufacturer's warranty).
- A unique design and/or has performance specifications which are essential to staff research protocol or other administrative needs and are not available in an alternate and comparable product and/or service provider.

- Essential in maintaining experimental or administrative continuity.
- One with which staff have specialized training and/or extensive experience. Retraining would incur substantial cost and/or time and will not result in the most effective life-cycle net cost.
- Standardization.
- Compatibility with another item.
- Urgently required on an emergency basis (e.g. life/death, health, safety, critical equipment or facility breakdown).

Disposal of Assets

Assets that are surplus to VIRL's needs or have reached the end of their useful lives will be disposed of in accordance with internal procedures.

Corporate Credit Cards

Corporate credit cards provide a convenient method of procuring and paying for goods and services by reducing paperwork and empowering staff to quickly and easily acquire the goods and services they need. The use of credit cards is guided by internal finance procedures. Cardholders will use credit cards only for:

1. Divisional procurements and the payment of goods and services within approved budgets and purchase authorization limits as outlined in *Appendix A Purchasing Authority*;
2. Expenditures that do not require formal competitive processes within the *Appendix B -Thresholds for Competitive Processes*; and
3. Other items as specified through internal policies.

Adoption History

ADOPTED BY:	DATE:
VIRL Board of Trustees	November 2009
VIRL Board of Trustees	March 2018
VIRL Board of Trustees	November 2023
DATE OF NEXT REVIEW: 2028	REVIEW CYCLE: 5 years



Board Policy Appendix A Purchasing Authority

Purchasing Authority

VIRL staff are responsible for managing the budgets as assigned to them by the Executive Director and/or Director of Finance. When committing VIRL to a purchase or signing to authorize an expense, staff must follow the *Procurement Policy* and *Thresholds for Competitive Processes*, ensure funds are available within their approved budgets, and adhere to the following single-purchase limits:

Staff Level	Signing Authority (before GST)
Board of Trustees	Non construction expenditures over \$350,000 and unbudgeted construction expenditures
Executive Director	\$350,000 except for construction expenditures as described below
Director of Finance	\$150,000 except for construction expenditures as described below
Other Executive Leadership Group members not specified above	\$100,000
Assistant Directors	\$20,000
Divisional Manager, Facilities; Divisional Manager Collections & Support Services	\$20,000
Divisional Managers not specified above	\$5,000
Operations Manager, IT	\$10,000
Library Managers	\$1,000

Construction Projects and Leases

Expenditures for construction projects approved by the Board and renewals for leases of existing branches for which the annual budget has provided may be signed by the Director of Finance and the Executive Director.

Delegation of Authority

A staff member with purchasing authority may delegate authority for an amount up to their purchasing authority to another staff member. This delegation must be made in writing and approved by the Director of Finance.



Thresholds for Competitive Processes

Thresholds for Competitive Processes

Procurement staff are responsible for identifying purchases subject to trade agreement thresholds and complying with relevant agreements, legislation, and regulation.

Amount (before GST)	Competitive Process	Responsibility
Up to \$5,000	No formal process. For non-VISA purchases, one quote obtained by Procurement, via phone, email, or website.	Purchase approval to be made by the budget holder or approved designate, using approved/existing VIRL providers.
\$5,001 - \$10,000	Informal written quotes, obtained by Procurement	Purchase approval to be made by the budget holder.
\$10,001 - \$75,000 for goods and services \$10,001 - \$100,000 for construction	Formal competitive process using solicitation documents, including terms and conditions	Purchase to be made by Procurement staff, with approval of the relevant budget holder.
Above \$75,001 for goods and services Above \$100,001 for construction	Formal advertised competitive process	Competitive process to be supported by Procurement staff, and responses evaluated by a committee led by the relevant budget holder.
Consultant Services up to \$75,000	Subject to operational requirements, formal competitive process using solicitation documents, including terms and conditions	Executive Leadership Group, supported by Procurement staff or Exempt Finance staff.
Consultant Services above \$75,000	Formal advertised competitive process	Competitive process to be supported by Procurement staff or Exempt Finance staff, and responses evaluated by a committee led by the relevant budget holder.