



Newfoundland &
Labrador

HOUSE OF ASSEMBLY MANAGEMENT COMMISSION

DIRECTIVE

Directive Number: 2011-005

Effective Date: March 31, 2011	Commission Minute: CM 2011-012
Subject: Purchasing Policy – Under \$200 – Revised March 2011	Reference: HOAMC Meeting: March 23, 2011 Agenda Item: Tab # 7
Issued To: All Members of the House of Assembly; Comptroller General; Directors of Government Accounting, Professional Services and Internal Audit, Financial Systems Control, and Corporate Services; Office of the Auditor General; Office Managers of Government Caucus, Official Opposition Caucus, NDP Caucus; Assistant Deputy Clerk, Executive Council; Director of Operations, Office of the Premier.	Contact: Marlene Lambe Chief Financial Officer 729 – 2923

BACKGROUND

At its November 18, 2008 meeting, the Commission approved the Purchasing Policy – Under \$200 for Members of the House of Assembly. **CM 2008-096 refers.** The Policy includes criteria that permit Members and Constituency Assistants to purchase small items under the amount of \$200 without obtaining three quotes.


The Purchasing Policy currently contains various restrictions, including a restriction to purchase advertising. At its March 23, 2011 meeting, the Commission approved amendments to the Advertising Policy for Members of the House of Assembly that address the purchase and coordination of advertising. These amendments required changes to the Purchasing Policy to remove that restriction. Other amendments provide greater clarity and bring the House of Assembly in line with existing Government Policy.

DIRECTIVE

Pursuant to subparagraph 20(6)(b)(ii) of the *House of Assembly Accountability, Integrity and Administration Act*, the Commission approved the following amendments to the Purchasing Policy – Under \$200, dated February 2010:

- Section 2.0: Remove the phrase “or establishing fair and reasonable price.”
- Section 3.1: At the end of the paragraph, add the phrase “and in compliance with the *Public Tender Act*.”
- Section 4.0 (paragraph one): Remove the phrase “or establishing fair and reasonable price.”
- Section 4.0 (paragraph four):
 - Remove the phrase “in keeping with the spirit and intent of,” and replace with “in compliance with.”

- At the end of the paragraph, add the phrase: “and ensures the Legislature will receive value for dollars spent.”
- Section 4.0: Add the paragraph: “Where possible, Members should purchase items on Standing Offer Agreement (including vehicle rentals), by submitting a requisition to the Corporate and Members’ Services Division. This is preferable as the Standing Offer Agreements established by Government provide for better prices and rates.”
- Section 4.1: Delete the restrictions: “purchase items on Standing Offer Agreement, unless extenuating circumstances apply”, “rent a vehicle” and “purchase advertising.”
- Section 5.0: Add “*Members’ Resources and Allowances Rules.*”


William MacKenzie
Clerk of the House of Assembly



House of Assembly

Purchasing Policy- Under \$200

Revised March 2011

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1.0 Approval

Under the authority of subsection 48(2) & subparagraph 20(6)(b)(ii) of the *House of Assembly Accountability, Integrity and Administration Act*, the House of Assembly Management Commission establishes this policy respecting the purchasing of items under \$200.

2.0 Purpose

To allow Members of the House of Assembly to purchase low dollar items without obtaining three quotes to simplify the purchasing process and reduce time spent processing orders and claims for items under the \$200 threshold.

3.0 General

3.1 Principles

In considering and approving purchases under \$200 pursuant to this policy, the Members of the House of Assembly must ensure that the purchase is eligible for reimbursement under the *House of Assembly Accountability, Integrity and Administration Act*, the *Members' Resources and Allowances Rules*, Directives of the Commission and in compliance with the *Public Tender Act*.

4.0 Policy

This policy allows Members of the House of Assembly to purchase items eligible under the *House of Assembly Accountability, Integrity and Administration Act*, the *Members' Resources and Allowances Rules*, and directives of the commission, under the value of \$200, without obtaining three quotes as per paragraphs 9 (a) & (b) of the *Public Tender Act*.

Once a proposed purchase under \$200 is identified by the Member of the House of Assembly, it may be made in one of two ways:

- a. by direct purchase by the Member or Constituency Assistant (if authority has been delegated) under this policy;

or,

- b. by issuance of a requisition that is forwarded for processing to Corporate & Members' Services Division, who will follow the *Public Tender Act* and Government Purchasing Agency Policies.

If the eligible purchase is made by the Member or Constituency Assistant, the original detailed receipt for the purchase, plus proof of payment, must be

submitted on a Member Expense Claim for reimbursement within 60 days, as per subsection 7(6) of the *Members' Resources and Allowance Rules*.

If multiple suppliers are located within a community or region, every effort should be made by Members to rotate purchases among suppliers. This ensures a fair and reasonable price has been obtained in compliance with the *Public Tender Act* and ensures the Legislature will receive value for dollars spent.

Where possible, Members should purchase items on Standing Offer Agreement (including vehicle rentals), by submitting a requisition to the Corporate and Members' Services Division. This is preferable as the Standing Offer Agreements established by Government provide for better prices and rates.

4.1 Restrictions

Under this policy a Member of the House of Assembly may not:

- split purchases to avoid exceeding the \$200 maximum threshold.

5.0 References

Members' Resources and Allowance Rules

Government Purchasing Agency Customer Manual

Public Tender Act