



HOUSE OF ASSEMBLY MANAGEMENT COMMISSION

DIRECTIVE

Directive Number 2008 – 008

Effective Date: November 25, 2008	Commission Minute: CM 2008 - 096
Subject: Purchasing Policy – Under \$200	Reference: HOAMC Meeting, November 18, 2008 Agenda Item No. 10
Issued To: All Members of the House of Assembly; Comptroller General; Directors of Government Accounting, Professional Services and Internal Audit, OMSP, 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

All purchases by or for Members of the House of Assembly, regardless of the dollar value, require public tender, three quotes or documentation indicating how a fair and reasonable price was established. This is in compliance with the *Public Tender Act*.

As a result, a considerable amount of a Member's and/or the Constituency Assistant's time is spent on completing requisitions for forwarding to Corporate and Members' Services and/or obtaining the three quotes for items which have a very low dollar value, such as a package of pens. In addition, it is difficult to anticipate many of these low dollar purchases ahead of time in order that the service/good is received when required.

The Purchasing Policy - Under \$200 is intended to simplify the purchasing process and reduce the turnaround time for these low dollar value items.

DIRECTIVE

The Commission approved the attached Purchasing Policy-Under \$200, dated November 2008, for Members of the House of Assembly.

William MacKenzie
Clerk of the House of Assembly



House of Assembly

Purchasing Policy- Under \$200

November 2008

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1. 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 alternative policy respecting the purchasing of items under \$200.

2. Purpose

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

3. 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*, and directives of the commission.

4. Process

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 or establishing fair and reasonable price, 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, which 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 and to ensure a fair and reasonable price has been obtained, in keeping with the spirit and intent of the *Public Tender Act*.

4.1. Restrictions

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

- split purchases to avoid exceeding the \$200 maximum threshold;
- purchase items available on Standing Offer Agreement, unless extenuating circumstances apply;
- purchase printing services without prior authorization from the Queen's Printer to procure from outside sources;
- rent a vehicle; or
- purchase advertising.

5. References

Government Purchasing Agency Customer Manual

Public Tender Act