



Town of Clareville - Policy Manual

Title: Procurement Policy
Policy No.: ADM-01

Council Motion No.: 25-149
Date Approved: September 9, 2025

PURPOSE:

- 1.) To ensure that goods and services acquired by the Town of Clareville are completed in the most efficient and cost-effective manner while ensuring the best value.
- 2.) To outline the expenditure control and approval processes required by Council, the Chief Administrative Officer, Department Heads, Managers, and other employees.
- 3.) To establish internal controls and documentation for the authorization of all purchasing.

AUTHORITY:

- Towns and Local Service Districts Act
- Public Procurement Act, Regulations & Policies
- Council Discretion

PROCEDURE:

SCOPE:

This policy applies to all individuals authorizing purchases on behalf of the Town of Clareville.

RESPONSIBILITY:

All Town of Clareville employees making any purchase must follow the Procurement Policy and ensure appropriate approvals and documentation is completed.

Accounts Payable staff will review each invoice to ensure it matches the purchase order. If there are discrepancies; the invoice and PO will be sent to the supervisor for clarification.

All invoices must be approved by Council through the Council Finance Committee before payments are processed.

PURCHASE AUTHORIZATION:

The purchase authorization limits approved by Council are as follows: All thresholds are exclusive of HST.

Chief Administrative Officer:	\$121,000
Department Head:	\$75,000
Public Works Manager:	\$50,000
Mechanic Foreperson:	\$7,500
Water Treatment Plant Foreperson:	\$7,500
PW Foreperson:	\$7,500
EEC Working Foreperson:	\$5,000
Town Clerk:	\$5,000
Staff:	\$1,000



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All Purchase Orders over the thresholds listed above must be approved by a supervisor or an assigned designate. Send the signed requisition form to the Town Clerk for filing once approved.

Only management or designated staff are authorized to issue purchase orders. Councillors do not have authority to issue purchase orders.

Note: Council authorizes the annual expenses of the Town by approving the annual budget. Managers are authorized to purchase items within their budget without Council approval provided the purchase adheres to this policy and is included in the Council approved annual budget. **For major purchases not reflected in the budget, Council approval is required prior to issuing a Purchase Order.**

Electronic Purchasing System:

All purchase orders must be issued using the TownSuite purchasing module. Staff must contact the appropriate personnel to obtain a PO. The following staff have authority to generate Electronic Purchase Orders.

Authorized Purchasing Staff:

Public Works Dept.:	Public Works Clerk
Recreation Dept.:	EEC Office Clerk
Administration & Fire Department:	Main Receptionist/Office Clerk

Town Clerk: Has authority to issue purchase orders for any department when required.

PURCHASE ORDER INFO:

- Employees/Managers cannot sign off on their own purchase.
- All Purchase Orders must include the following info:
 - 1.) Vendor info: Name, Contact info
 - a. If the Vendor is new, full address and contact info must be included
 - 2.) Description of items being purchased
 - 3.) Intended use must be identified (I.e. Mobile Equipment Number, Equipment Description)
 - 4.) Attached price quotes as outlined in the following procedure section.
 - 5.) Budget Account Code
- All purchases will require a Purchase Order unless:
 - o Vendor does not accept a PO
 - o Utilities such as NL Power & furnace oil
 - o Recurring invoices for approved service contracts
 - o Capital Projects such as MYCW, Gas Tax Expenditures and/or Major infrastructure funding. These types of purchases will follow the Government Capital Projects approval procedures.

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If you are unsure how to proceed, or require further clarification, please contact your immediate supervisor BEFORE proceeding with the purchase.

PURCHASING PROCEDURES:

The following procedures must be followed when purchasing Goods and/or Services.

Purchases with a Value Less Than \$2,500 (plus HST):

- For purchases of goods or services less than \$2,500, exclusive of HST, obtain one (1) quote from a vendor. Reasonable Price is to be determined before issuing a purchase order. Note: It is up to the employee to determine a fair reasonable price.
- When possible, try to rotate purchases to vendors of similar goods or services as long as costs are similar.
- Separating purchases into several smaller purchases to remain within the \$2,500 purchase threshold is not permitted.
- The Town will only be responsible for goods and services which are obtained by way of a Purchase Order.
- In the event a Purchase Order is not accepted by the vendor a Town Visa card may be used by contacting the Director of Finance & Administration or Town Clerk.

Purchases with a Value from \$2,500 to \$121,200 (\$302,900 for Public Works) (plus HST):

- The Town will only be responsible for goods and services which are obtained by way of a Purchase Order or signed contract.
- Separating purchases into several smaller purchases to remain within the purchase threshold is not permitted.
- A minimum of three (3) bids must be obtained when possible. A list of the bids received will be attached to the purchase order. **Canoe Procurement can be used in lieu of obtaining three price quotes.**
- Bids will be obtained by fax, email or written invitation. If the purchase is deemed urgent by Management, bids may be obtained by telephone.

Purchases with a Value greater than \$121,200 (\$302,900 for Public Works) (plus HST):

All purchases in this category shall be obtained by way of Public Tender in accordance with the Public Procurement Act. **Canoe Procurement can be used in lieu of issuing a public tender.**

Awarding of tenders must be approved by Council prior to a PO being issued. ***Note: All Council issued tenders will be issued by the Town Clerk. The Town Clerk will be responsible for managing the tender posting, bid submissions, bid opening and tender award.***

Purchases without Quotation

There are purchases up to the Limited Call for Bids thresholds (excluding taxes) where it is not feasible or practicable to obtain quotations due to the following circumstances:

- Commodity is available from a Public Body.
- An emergency or situation or urgency exists and an open call for bids cannot reasonable be made in time (obtain more than one quote where the situation allows).

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- Only one available source (sole source), in the following circumstances:
 - o Compatibility with existing OEM products, to recognize exclusive rights or to maintain specialized products that must be maintained by the manufacturer or representative;
 - o An absence of competition for technical reasons, no alternative or substitute exists;
 - o Supply is controlled by a statutory monopoly;
 - o Purchase of goods on a commodity market;
 - o Work on or about a leased property that can only be performed by the lessor without giving rise to a significant risk for the public body;
 - o Work to be performed under a warranty or guarantee;
 - o Winner of a design contest;
 - o A prototype or a first good or service to be developed in the course of and for a particular contract for research, experiment, study or original development, but not for any subsequent purchases;
 - o Original works of art; and
 - o Subscriptions to newspapers, magazines or other periodicals.

A fully written explanation as to why quotations were not obtained must be provided to the Town Clerk to be kept on file for audit purposes.

Petty Cash Purchases:

Petty cash is utilized for minor incidentals at both the Town Hall & EEC Box Office. Petty cash should only be used for purchases in the event the vendor does not accept a PO or direct billing. Receipts must be obtained for all petty cash purchases and signed by both the purchaser and the Office Clerk. The use of petty cash for purchases is only intended to be an occasional minor purchase.

After-hours/weekend Credit Card Purchases:

In the event a purchase order is required after normal business hours (4:30pm weekdays) or during weekends, a departmental credit card can be used. This is intended for urgent purchases during after-hours/weekends only and not intended for regular use. The purchase receipt must be forwarded to the accounts payable clerk for processing & filing.

Emergency Purchases:

In the event of an emergency, the Chief Administrative Officer (or approved designate) may approve any amount without prior approval of Council and shall report such expenditures to Council at its next meeting. Emergency purchases generally occur as a result of fire, flood, water breaks or major equipment breakdown. There may be situations during an emergency where it is not possible to comply with normal Procurement Procedures. Documentation including the reason for the emergency purchase must be completed and forwarded to the CAO following the emergency purchase.

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STANDING PURCHASE AGREEMENTS:

Provincial Government Standing Purchase Agreement:

Purchasers should check to verify whether the Town of Clareville is a participant in a Standing Purchase Agreement (SPA) issued by the Government Procurement Agency (GPA) for specific goods or services.

If the Town is a registered participant in the SPA, the Town is required to purchase the goods or services from the supplier participating in the SPA at the indicated price.

Town of Clareville Standing Purchase Agreement:

When Council identifies a high volume of specific goods or services with a cost less than \$10,000 the Town of Clareville can issue a SPA covering a specific time period to avoid having to obtain quotations each time a purchase of the specific good or service is required.

If the Town of Clareville signs a SPA with a vendor, the Town is required to purchase the goods or services from the supplier participating in the SPA at the indicated price.

REPORTING

The Public Procurement Act requires contract awards to be reported as follows:

- 1.) Contract awards must be reported publicly for:
 - Awards: Limited Calls
 - Awards: Open Calls
 - Awards: Open Call for Bids Not Required
- 2.) Thresholds for reporting contract awards:
 - Goods (\$10,000 and above)
 - Services (\$50,000 and above);
 - Public Works (\$100,000 and above)

Contract Awards must be posted on the Town of Clareville website within 30 days of contract award.

A spreadsheet for reporting this information is available from the Town Clerk.

Award information must include: the successful bidder, description of the commodity, date of the award, financial value of the contract, term of the contracts, renewal options of the contract.

Note: The Town Clerk is responsible for purchasing reporting and records filing. Please ensure any purchasing records are sent to the Town Clerk for record keeping.



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ENACTMENT

This policy shall come into effect on the 9th day of September 2025.


Mayor


Town Clerk

REVISION HISTORY:

Motion No.	Date:	Description:
20-058	May 5, 2020	New Policy Format Adopted
24-032	February 6, 2024	Revised Policy
25-149	September 9, 2025	Updated to reflect TLSDA