



CITY OF
ST. CATHARINES

Corporate Report

Report from Financial Management Services, Director

Date of Report: July 25, 2014

Date of Meeting: August 11, 2014

Report Number: FMS-240-2014

File: 68.44.1

Subject: Procurement Policy Approval Levels

Recommendation

That Section III of the City's Procurement Policy be amended to reflect the new corporate organizational structure for the City of St. Catharines; and

That the approval limit of 'up to \$50,000' be added for Commissioners; and

That the approval limit for the Chief Administrative Officer (CAO) be amended to add 'or Commissioner/Acting CAO' in absence of the CAO; and

That Section V of the City's Procurement Policy be amended to include Commissioners in addition to Department Directors; and

Further, that the City Solicitor be directed to prepare the necessary by-law(s). FORTHWITH

Summary

With the change in the City's organizational corporate structure, Council's approval is requested to update the procurement policy approval limits to reflect the new corporate structure. It is staff's recommendation that the Commissioners have an approval limit of up to \$50,000, which is \$25,000 greater than the approval limit for Directors and \$25,000 less than the CAO. Staff also recommend that in the absence of the CAO that the Commissioner/Acting CAO have the same approval limit as the CAO, which is \$75,000. Staff also recommend that emergency purchases also be amended to include Commissioners.

Background

With the change in the organizational corporate structure, it is now appropriate for the City's procurement policy to be updated for the Commissioner positions. Staff is recommending the addition of approval limits for the Commissioners to the City's procurement policy. Staff is also recommending the addition of Commissioners to emergency purchases. The City's procurement policy was last revised in January 2005.

Report

Staff is recommending changes to the procurement policy as a result of the addition of Commissioners to the corporate organizational structure. The following table contains the details of the changes recommended with a comparison to current procurement policy approval limits.

Position Title	Current Approval Limit	Recommended Approval Limit
Department Director and/or designate as determined by the individual Directors	Up to \$25,000	Up to \$25,000
<i>Commissioner</i>	<i>None</i>	<i>Up to \$50,000</i>
Chief Administrative Office (CAO)	Up to \$75,000	Up to \$75,000 & add <i>Commissioner/Acting CAO in CAO's absence</i>
City Council	Over \$75,000	Over \$75,000

Staff is also recommending the addition of Commissioners to the Emergency Purchases – Section V of the procurement policy. This section provides authorization for emergency purchases not exceeding \$75,000 by Department Directors. With the organizational structure change, this section will now also include Commissioners.

Financial Implications

Not Applicable.

Conclusion

Staff recommend the amendments to the City's procurement policy for the inclusion of approval limits and emergency purchases for Commissioners as a result of the change in the City's organizational structure.

Prepared and Submitted by:

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Approved by:

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Commissioner of Corporate Services