

<b>Policy Name:</b>	<b>ACQUISITION OF GOODS AND SERVICES</b>		
<b>Policy #:</b>	AD 8.3	<b>Last Updated:</b>	2024-11-27
<b>Issued By:</b>	SUPPORT SERVICES BUREAU	<b>Approved By:</b>	SURREY POLICE BOARD
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**RELATED POLICIES**

AD 2.3 Conflict of Interest

**1. PURPOSE**

- 1.1 To identify the principles and policies applicable to the acquisition of goods and services made by, for, or on behalf of the Surrey Police Service (SPS) and to outline the principles upon which such acquisitions must be made.
- 1.2 To ensure all acquisitions are conducted in a manner that reflect the following principles:
  - i. **Fairness and Transparency**
    - promote and enhance access and fairness;
    - foster competition;
    - provide transparency and accountability;
  - ii. **Financial Oversight and Management**
    - provide best value for funds expended;
    - provide validation and verification that the public is receiving full value for their money;
  - iii. **Risk Management**
    - minimize legal and operational risks and costs;
  - iv. **Integrity**
    - ensure highest level of personal and organization integrity; and
  - v. **Social Impact and Sustainability**
    - seek to maximize positive social, environmental, ethical and economic impacts while ensuring fiscal responsibility, support acquisitions that are more sustainable,

ethically sourced and socially beneficial to the extent possible and practical, and promote environmental stewardship.

- 1.3 To ensure donations and gifts to SPS are approved and recorded.

## 2. SCOPE

- 2.1. This policy applies to all SPS Employees and all bureaus, sections, teams and units.

## 3. POLICY

### POLICING STANDARDS

- 3.1. *BC Provincial Policing Standards* require SPS to have written policies governing the acquisition of goods and services, including emergency acquisitions, and handling of gifts in kind.

### GENERAL

- 3.2. **Compliance.** Goods and services must be procured in compliance with this policy and any additional policies approved by the Police Board and any procedures and guidelines established by the Executive Leadership Team.
- 3.3. **Funding.** Appropriate funding must be in place prior to the commencement of the procurement process. No contract shall be entered into for the acquisition of goods or services and no expenditure shall be authorized or incurred unless included in the SPS budget as approved by City Council or as otherwise permitted by the *Police Act*.
- 3.4. **Planning.** Procurement planning should be undertaken prior to initiating a procurement process to identify needs and options to ensure a cost/benefit justification exists for the procurement.
- 3.5. **Sustainability.** In making procurement decisions, sustainability impacts should be considered to mitigate negative environmental, social and ethical issues and impacts, and suppliers should be engaged when opportunities arise to improve their sustainability performance and to support SPS's sustainability objectives.
- 3.6. **Standing offer arrangements.** Due consideration will be given to existing contracts or standing offer arrangements, including the ability to obtain goods or services utilizing the City's standing offer arrangements.
- 3.7. **Co-Operative purchasing.** To the extent practical, SPS should leverage economies of scale and other purchasing opportunities by co-ordinating acquisitions with the City and other public bodies and police related agencies as and when appropriate, seeking co-operative purchasing

opportunities and engaging suppliers in extending pricing to the City and other public bodies and police related agencies.

- 3.8. **Requisitioning authority.** Only persons having appropriate financial authority are permitted to approve requests for the acquisition of goods and services.
- 3.9. **Signing authority.** Only persons appointed as signing officers pursuant to applicable administrative policies are permitted to execute contracts for the acquisition of goods and services.
- 3.10. **Procurement Management.**
  - i. The acquisition of goods and services will be centralized, overseen, managed and led by the Manager, Corporate Services, whether the acquisition is undertaken internally or with support from the City, except as otherwise permitted by this policy or as part of procedures.
  - ii. As and when required, procurement processes may be supported by the Procurement Services Section of the City through a shared services arrangement between the Police Board and the City.
  - iii. For the acquisition of major capital assets (fleet, facilities and information technology), those goods may be procured by SPS or the City, for and on behalf of SPS, and owned by the City, which procurement may be undertaken in accordance with the procurement procedures of the City, and collaboratively managed and led by SPS and the Procurement Services Section of the City.

#### **PROCUREMENT THRESHOLDS**

- 3.11. **Up to \$10,000.** Acquisitions with an estimated total contract value of up to \$10,000 may be acquired without competitive process.
- 3.12. **Under \$75,000 (professional and consulting services).** Where the estimated total contract value is less than \$75,000.00 for professional and consulting services (including the services of designers, management and financial consultants, accountants, auditors) the services may be acquired without competitive process;
- 3.13. **Under \$75,000 (excluding professional and consulting services).** Where the estimated total contract value is less than \$75,000.00, the goods and services may be acquired through an informal competitive process.
- 3.14. **Over \$75,000.** Where the estimated total contract value is \$75,000.00 or greater, the goods and services must be acquired through a formal competitive process.

- 3.15. **Contract components.** Projects, procurements and contracts cannot be subdivided to avoid policy or procedural compliance.
- 3.16. **Contract value.** Total contract value (calculated by including proposed renewals, extensions, taxes, contingencies and other options) must be used when determining thresholds.
- 3.17. **Standing offers.** Standing offers will be competed for in the same manner as an individual contract.
- 3.18. **Pre-qualification and supplier lists.** SPS may, through a competitive process or otherwise, pre-qualify suppliers according to established criteria and compile and maintain a list of qualified suppliers to participate in one or more future opportunities whenever it is desirable to do so. At any time, and from time to time, additional suppliers may be invited to apply for inclusion on the list of qualified suppliers based on the established criteria.

#### **FORMAL COMPETITIVE PROCESS**

- 3.19. **Requirement.** When a formal competitive process is required, the opportunity must be publicly advertised, at a minimum, on BC Bid, and on the SPS website and/or City website.
- 3.20. **Selection.**
  - i. Where the acquisition is completed through an Invitation to Tender, in the absence of any other selection criteria included in the procurement documents, contracts must be awarded to the lowest-priced materially compliant bidder.
  - ii. Except where the acquisition is completed through an Invitation to Tender, the contract must be awarded to the proponent whose materially compliant submission provides the best value to SPS, considering factors such as financial criteria (cost, evidence of insurance, warranties, etc.), overall quality and durability of goods, and qualification criteria (reference checks, experience on, previous projects, past dealings with the proponent, etc.).

#### **INFORMAL COMPETITIVE PROCESS**

- 3.21. **Direct solicitation.** When an informal competitive process is permitted, quotes/submissions may be solicited from at least 3 suppliers directly, without the necessity of advertising the opportunity publicly, and the contract awarded to the supplier whose quote/submission provides the best value to SPS.
- 3.22. **Exceptions.**

- i. If, because of the unique nature of the acquisition, restrictions on the number of suppliers who are authorized to manufacture or sell the goods in Canada, or other external factors or market conditions, there are only 2 known suppliers who can supply the goods or perform the services, quotes/submissions may be solicited from those 2 suppliers.
- ii. If, despite soliciting responses from multiple suppliers, less than 3 quotes/submissions are received, the contract may be awarded based on those received.

### LEGAL ACTION EXEMPTION

3.23. SPS may reject a submission from any person in response to a competitive process if, within the five (5) year period preceding the competitive process:

- i. that person, or any of its officers or directors, either directly or indirectly through another corporation or entity, is or has been engaged in a legal action against the Police Board, SPS, the City, or their elected officials, appointed members, officers or employees, or
- ii. the Police Board, SPS or the City has initiated a legal action against that person or any of its officers or directors,

in relation to the procurement of any goods or services, or any matters arising from the Police Board's, SPS's or the City's exercise of their respective powers, duties or functions under any enactment.

### DIRECT AWARD

3.24. **Criteria.** A competition may be waived, and a contract award directly to a supplier, in the following circumstances:

- i. **Single/select supplier:**
  - a. the supplier is the only supplier in the market who can provide the required goods or services,
  - b. where more than one supplier exists in the market, one supplier provides intrinsic benefit, including:
    - i. being qualified, capable or available to provide the required goods or services,
    - ii. completing prior contracts or possessing direct or special experience with the systems or subject matter;
    - iii. ability to handle sensitive or confidential information;
    - iv. ability to provide the services on a rush basis or for an emergency;

- v. provides goods or services which are in short supply;
  - c. the supply of the goods or services is controlled by a supplier that is a statutory monopoly.
- ii. **Product requirements and compatibility:**
- a. no alternative or substitute goods or services exist that meet the requirements and specifications;
  - b. compatibility or integration with existing equipment or technology necessitates the use of a specific supplier/manufacturer;
  - c. maintenance of specialized goods is required to be done by the supplier, manufacturer or their representatives, either under warranty, guaranty or otherwise; and
  - d. the acquisition is covered by a lease-purchase agreement.
- iii. **Safety and security:**
- The goods or services are of a confidential or privileged nature and disclosure through a competitive process would compromise security, order, or the protection of human, animal or plant life or health, cause economic disruption or otherwise be contrary to public interest.

### **EMERGENCY ACQUISITIONS**

- 3.25. SPS may directly acquire goods and/or services to adequately cover emergency, disaster or life-threatening incidents where time, or other pressing factors make it impossible to undertake a competitive process or obtain prior approval. Such circumstances may include:
- i. an unforeseeable situation of urgency – goods and/or services cannot be obtained in time through a competitive process;
  - ii. the goods or services are needed to:
    - a. protect life and property;
    - b. prevent substantial economic loss; and/or
    - c. prevent the interruption of essential services in emergency situations; or
  - iii. the need is one of pressing emergency in which delay would be injurious to the public interest and extraordinary deadlines pre-empt the ability to acquire goods/services through competitive processes.

### **REPORTING**

- 3.26. The Chief Constable will report contract awards with a total contract value in excess of \$500,000 to the Finance and Audit Committee of the Police Board semi-annually.

## **GIFTS AND DONATIONS**

- 3.27. Goods and services received or offered in any manner other than through the designated procurement procedure will be reported to the Deputy Chief Constable Support Services to determine disposition.
- 3.28. Gifts and donations valued at over \$500.00 must be reported to the Police Board semi-annually.

## **OWNERSHIP**

- 3.29. All property acquired by or on behalf of SPS is an asset of and owned by the Police Board and/or SPS, except major capital assets (fleet, accommodations and information technology infrastructure) which, despite being included in approved SPS budgets and procured for the exclusive use of SPS, may be owned by the City.

## **EXEMPTIONS**

- 3.30. The following acquisitions and transactions are not covered by this procurement policy:
- i. revenue-producing contracts;
  - ii. contracts for the acquisition or leasing of land/real property;
  - iii. contracts for the performance of legal services;
  - iv. recurring annual charges, including payment to other governmental authorities and investments;
  - v. banking services and insurance contracts and policies;
  - vi. utilities (such as natural gas, hydro and water);
  - vii. employment contracts and secondment agreements;
  - viii. employment related expenses and benefits, including training, conferences, workshops, professional education, staff development, association fees and membership dues;
  - ix. inter-agency transfer of goods - between SPS, other policing related agencies, governmental and quasi-government agencies and all levels of government;
  - x. inter-agency service contracts and/or memorandums of understanding - between SPS and other entities (other policing related agencies, indigenous communities, community organizations, educational institutions, etc.) for the operation of programs and initiatives and/or with respect to policing or police related services;
  - xi. inter-agency contracts/memorandums of understanding - between SPS, other policing related agencies, governmental and quasi-government agencies and all levels of government;
  - xii. grants, contributions and funding agreements;
  - xiii. shared cost programs in which SPS is not the contracting authority;

- xiv. co-operative purchasing arrangements where another public body or police related entity has undertaken a competitive process and SPS purchases goods or services from the successful supplier/best valued submission selected by the originating agency through their competitive process; and
- xv. disposal of assets/surplus assets.

3.31. Bureaus are responsible for establishing policies or maintaining practices and procedures for acquisitions and transactions within their responsibility which fall within the enumerated exemptions to this policy.

#### 4. **PROCEDURE**

4.1. The Executive Leadership Team is responsible for developing procedures, guidelines and practices which conform to and supplement this policy and give effect to the provisions herein.

## **APPENDIX A: DEFINITIONS**

“BCPPS” means the British Columbia *Provincial Policing Standards* issued pursuant to the *Police Act*.

“Chief Constable” means the Surrey Police Service Chief Constable.

“City” means the City of Surrey.

“City Council” means the City Council for the City of Surrey.

“Constable” means a sworn police constable appointed by the Surrey Police Board.

“Employees” means all employees and appointees of the Surrey Police Board.

“Executive Officer” means Chief Constable, Deputy Chief Constable, Superintendent or Inspector.

“Executive Leadership Team” means Chief Constable and Deputy Chief Constables.

“Major capital assets” means fleet, accommodations, and information technology infrastructure.

“Manager” means an exempt civilian Supervisor at an Inspector level equivalent.

“Member” means a Sworn Police Officer appointed by the Surrey Police Board.

“Supervisor” means Sergeant or Staff Sergeant having the responsibility for first level supervision of employees under their direction or the designated civilian employee having first level supervision of civilian employees.

**APPENDIX B: REFERENCES**

*Police Act*, R.S.B.C. 1996, c. 367