



**Date 1 February 2010**

## **City Council Committee Report**

**To: Mayor Compton & Members of Council**

**Fr: Karen Brown**

**Re: Procurement By-law Amendment**

### **Recommendation:**

**That** Council hereby authorizes an amended City Procurement By-law – Policy #FI-01-01; and

**That** the appropriate By-law be approved for this purpose.

### **Background:**

In October 2009, Council passed an amendment to the Procurement By-law authorizing the Manager of Finance & Administration to authorize transfers between budgeted expenditures within the same department or function that had either been completed under budget or had been deemed of a lesser priority by the requesting Manager. Following a few months of application of this amended policy, it has been determined that the new wording is too loose, and provides the potential for a loophole that could enable the Manager of Finance & Administration to approve funds to be transferred on projects that exceed that individual's authorities within the purchasing policy, provided that the transferred amount remains within that individual's limits.

This was not the intent of the amended policy. As such, the policy has been further amended to eliminate this loophole. A copy of the amended policy has been attached with changes tracked for ease of reference. The only change can be located on page 17 of the attached policy.

### **Budget:**

This is simply an amendment to an existing City policy to clarify purchasing authorities. There is no related budget impact.

### **Communication Plan/Notice By-law Requirements:**

The Managers would be advised of Council's decision in this matter.

Cc: Bill Preisenz  
Managers