



K'ómoks First Nation

Finance: Purchasing Policy

A policy to govern the purchase of quality goods, services, and assets that are environmentally responsible, at the best prices available, at high quality and represent value for money to demonstrate transparency and fairness. This will support the Nation in assessing progress towards achieving its strategic plan, goals, mission and vision.

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Contents

- Definitions3
- Policy Statement.....15
- Purpose.....15
- Mission.....15
- Scope.....16
- Section 1 – General16
 - Responsibilities:.....16
 - Chief and Council16
 - Chief Administrative Officer, or their designate16
 - Director of Finance or their designate17
 - Staff.....17
 - Requisitions18
 - Payments, Re-imbursments and Purchase Requests18
 - Purchase Orders18
 - Technology Purchases.....18
 - Unauthorized Purchases18
 - Emergency Purchases18
 - Conflict of Interest.....19
 - Contracts for Consulting and Professional Services.....19
 - Environmental-Occupational Health and Safety Compliance Purchasing19
- Section 2 - Sole Source19
- Section 3 - Purchasing-Credit Cards20
- Section 4 – Tenders-Bids20
- Section 5 – Request for Proposals (RFP) - Request for Quotes (RFQ)21
 - Responsibilities.....21
 - Awarding.....21
- Section 6 - Multi-Year Contracts22
- Section 7 – Surplus/Obsolete Items22

Definitions

“Acquisition Method	the process by which goods, equipment or services are procured and may include request for quotations (RFQ), invitations to bid, requests for proposals (RFP) and direct negotiations.
“Arrears”	unpaid, overdue debt, or an unfulfilled obligation.
“Assets”	anything of value owned by the First Nation.
“Asset Recognition Criteria”	criteria to be used to set the threshold for determining whether a capital asset must be included in the capital asset register.
“Assign”	transfer of duties or functions from one person to another where the former person (the assignor) retains responsibility for ensuring the activities are carried out.
“Authorization and Delegation Table”	a table approved by Council specifying the delegation and assignment authorities over decisions or activities related to the K’ómoks First Nation’s financial administration.
“Bid”	offer to supply under stated terms and conditions.
“Budget”	a plan or outline of expected funds and spending over a specified period.
“Capital Assets”	tangible capital assets (physical assets) such as buildings, land, and major equipment.
“Capital Plan”	a consolidated plan or outline of expected funds and spending of all capital projects to be undertaken in a fiscal year.
“Capital Project”	the construction, rehabilitation or replacement of the First Nation’s capital assets and any other major capital projects in which the First Nation or its related entities are investors.
“Capital Project Plan”	a project management plan to carry out a capital project that includes the budget.
“Cash”	money, cheques, money orders, and equivalent forms of currency.

“Cash Reserves”	funds that a company keeps on-hand to meet short-term and emergency funding needs.
“Chairperson”	head of a meeting, department, committee, or board. The vice-chairperson acts as the head when the chairperson is not there.
“Change Order	A written alteration to a contract or purchase order authorized by the Director of the Department acquiring the goods or services or by the Chief Administrative Officer or Chief and Council, in accordance with the terms of the contract or purchase order directing the vendor to make the changes.
“Chief Administrative Officer”	person who is responsible for leading the day-to-day administration or management of the K’ómoks First Nation and who reports directly to Council.
“Classification”	process of categorizing records in an organized way.
“Committee”	group of people appointed by Council for advising Council or conducting decision-making activities assigned by Council until or unless they are suspended or disbanded by Council.
“Conflict of Interest”	situation of personal gain at the expense of others.
“Consultant”	an individual or firm that provides consulting and professional services.
“Consulting and Professional Services”	services provided by architects, engineers, designers, planners, accountants, auditors, appraisers, lawyers, management, software and financial consultants, and any other similar services but does not include professional services by employee of the Nation.
“Contract”	a legally binding agreement containing all terms and conditions agreed to between two parties.
“Control”	policy, procedure, or process put in place to manage a K’ómoks First Nation government’s administration.

“Corrective Actions”	steps taken to deal with job-related behavior that does not meet agreed upon and communicated performance expectations.
“Cost”	amount of funds to be paid or spent to obtain something.
“Council”	elected or appointed official representatives of the K’ómoks First Nation that includes Chief, Councillors and the equivalent terminology used by the K’ómoks First Nation.
“Debt”	something that is owed or due.
“Delegation”	transfer of specific responsibilities from one person to another.
“Director of Finance”	person responsible for the day-to-day management of the K’ómoks First Nation’s finances and who reports to the Chief Administrative Officer.
“Direct Supervisor”	employee responsible for managing and overseeing the work and development of other staff.
“Eligibility Criteria”	requirements set by Council which must be met by an individual to be considered independent and eligible to be appointed to the Finance and Audit Committee.
“Emergency”	A situation, or threat of an impending situation, which may affect the environment, the life, safety, health or welfare of the general public, or the disruption of work or to restore or to maintain essential services to a minimum level; and shall be determined by the Chief Administrative Officer.
“Engagement Letter”	written document prepared by the auditor that serves as a contract to confirm the audit arrangements between the auditor and the First Nation government; it is required by Canadian Generally Accepted Auditing Standards.
“Entity”	corporation, partnership, joint venture or unincorporated association or organization whose

	financial transactions are consolidated in the First Nation government's financial statements in accordance with GAAP.
"Expenditure"	amount of funds spent to buy goods, services or to provide programs.
"Expenses"	amount of funds used up or expired and recorded over a period of time.
"Expedite"	To hasten/follow up to assure delivery.
"Fairness"	refers to giving qualified firms and individuals an equal opportunity to compete for the contract work; and to evaluating tenders and proposals in accordance with accepted practices.
"Fair Value"	is the amount of the consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.
"Financial Competency"	ability to read and understand the K'ómoks First Nation government's financial statements.
"Financial Report"	the compilation of several financial statements used for decision-making purposes.
"Financial Reporting Risk"	possibility of a significant error in financial information often caused by weak internal controls or fraud.
"Financial Statement"	formal record of all funding and property of the K'ómoks First Nation within a specific period. For example, a Cash Flow Statement or a Statement of Financial Position (aka Balance Sheet), or a Statement of Operations (aka Income Statement).
"Fiscal Year"	twelve-month period used for tax or accounting purposes.
"Formal Tender"	The process where a tender is publicly advertised on KFN's web-page, MERX, or in the local and regional newspapers as well as being forwarded to registered bidders; the tender form details the goods or services required with a specific closing

	date and time, at which they would be publicly opened in KFN’s Band Office.
“Fraud”	wrongful or criminal act that involves lying or holding back information; this is usually done for personal or financial gain.
“GAAP”	Canadian Generally Accepted Accounting Principles, the framework of accounting guidelines, rules and procedures.
“Indemnity”	security or protection against a loss or other financial commitment
“Independence”	eligibility criteria for finance and audit committee membership defined as an individual who does not have a direct or indirect relationship with the First Nation government that could, in the opinion of Council, reasonably interfere with the individual’s judgment as a member of the finance and audit committee. an individual with a role in the financial management of the First Nation involving planning, organizing, directing or controlling of its financial activities – including budgeting, financial accounting, financial reporting, procurement and use of funds, does not meet the minimum independence requirements for finance and audit committee membership.
“Information”	knowledge received and any documented material regardless of source or format.
“Information Security”	way a First Nation government protects information from unauthorized access, use, modification, or destruction.
“Integrated Planning and Budgeting”	annual process of planning and budgeting activities across every level of the K’ómoks First Nation government that are linked, coordinated, and driven by the K’ómoks First Nation’s vision and strategic objectives.
“Internal Assessment”	review of an activity/process by an independent First Nation staff member (i.e. an individual not

	responsible for or involved in the activity) to determine the effectiveness of that specific activity or process.
“Investment”	an asset or item bought with the hope that it will gain value or provide income in the future.
“Invited Tender”	refers to a tender that is distributed to a certain number of contractors or entities who are registered for the required commodity and are invited to bid on a specific project or service provision. Industry standards indicate that at least three contractors should be invited to ensure that the process is fair and there is sufficient competition. These prices are typically received by a sealed bid and publicly opened in the Nation’s Band Office at a stated time.
“Life-Cycle Plan”	plan of the First Nation’s assets in terms of costs to buy, operate, upkeep and get rid of over a specified period.
“Loan Guarantee”	promise to pay all or a part of the principal and/or interest on a debt obligation in the event of default by the borrower.
“Local Revenues”	term used to describe property taxes under the K’ómoks First Nations Fiscal Management Act.
“Long-Term Debt”	any debt that exceeds a period of time beyond 12 months.
“Lowest Evaluated Tender”	The tender meeting the specifications at the lowest overall cost to the Nation, as determined by the Nation, considering all factors such as suitability, price, availability, service, warranties, insurance requirements, life-cycle costs, administrative costs and residual values.
“Materiality”	whether a certain financial amount is significant enough to impact a reader’s decision-making choices.
“Materiality Threshold”	the minimum financial amount that a K’ómoks First Nation government considers significant or

	large enough to warrant consideration or changes in decision making choices.
“Material Change”	means an event, occurrence, or a change in conditions, circumstances, an amending agreement, or other change that could result in or cause changes to the completion, fulfilment or execution of the terms of an original agreement or contract.
“Misconduct or Wrongdoing”	breach of the K’ómoks First Nation’s Financial Administration Law including conflict of interest provisions, code of conduct, Council-approved policies and administrative procedures.
“Obsolete”	materials/items/assets that no longer meet current required specifications.
“Officer”	Chief Administrative Officer, Director of Finance, Tax Administrator or any other employee of the K’ómoks First Nation government designated by the Council as an Officer.
“Organizational Chart”	visual representation of the different positions in a First Nation government that clearly shows reporting relationships (who reports to who).
“Performance Improvement Plan”	plan developed by an employee’s direct supervisor, in consultation with the employee, to address the areas for improvement/development identified during the performance review process.
“Personal Information”	information about a specific individual. In addition to common items such as an individual’s name, gender, physical characteristics, address, contact information, identification and file numbers - it also includes criminal, medical, financial, family and educational history as well as evaluative information and other details of an individual’s life.
“Privacy Protection”	rules a K’ómoks First Nation government puts in place to collect, create, use, share/disclose, retain, protect and dispose of the Personal Information that it needs for its administration.

“Projection”	estimates for a future situation based on all the information available now.
“Public Tender”	A process requiring documents which contain the specifications and conditions on which the Nation will enter into a contract with the bidder to be publicly advertised and opened.
“Purchase Order”	document stating the wish of a buyer to purchase something from a seller that shows the exact details of the items the buyer wishes to buy.
“Purchasing”	buying an asset or item. Also referred as “procurement” per the First Nations Financial Management Board Standards.
“Record”	information created, received, and maintained by the K’ómoks First Nation government for operational purposes or legal obligations. A record may be electronic, or hardcopy paper based.
“Recordkeeping”	how an organization creates, obtains, and manages records.
“Rehabilitation”	asset alteration, extension and renovation but does not include routine maintenance.
“Remuneration”	salaries, wages, commissions, bonuses, fees, honoraria and dividends and any other monetary and non-monetary benefits.
“Replacement”	substitution, in whole or in part, with another of the First Nation government’s capital assets.
“RFP-Request for Proposal”	A competitive process followed by KFN and sent to vendors to submit proposals that are innovative. Requests for Proposals do not tie firms to existing processes or rigid specifications but, rather, encourage new approaches, techniques and methods for meeting the Nation’s requirements. RFPs lay out the K’ómoks First Nation government’s needs and conditions and leave it to the potential contractors to present a proposal that shows their experience, skills and ability to carry out the contract within time and cost specifications.

“RFQ-Request for Quotes”

the process of securing price quotations from selected vendors for required goods or services via telephone, email, or facsimile. All verbal quotes must be immediately provided with a written confirmation of the stated prices.

“Requisition”

The form completed by Departments initiating the purchase of goods, services or assets and submitted to the Chief Administrative Officer or through Director of Finance or their designate.

“Risk”

is defined as anything of variable uncertainty, loss or other negative event of significance that interferes or threatens to interfere with the achievement of KFN’s strategies, goals and objectives.

In insurance terms is the possibility of a loss or other adverse event that has the potential to interfere with KFN’s ability to fulfill its mandate, and for which an insurance claim may be submitted.

“Risk Tolerance”

means the degree of uncertainty the K’ómoks First Nation is willing to accept in the achievement of its goals.

“Salvage Materials”

Materials that have residual value through the scrap process, such as copper, aluminium, lead, wood, etc.

“Sole Source”

a contract where only one good/product/service/company is capable of supplying the goods or services required to meet KFN’s needs. There is no competitive process used.

“Surety-Guarantee Company”

a company or entity that financially backs a surety, bond or guarantee on behalf of an individual or business.

“Surety-Bid Bond”	a third-party written bond obligation (promise to be liable for the debt, default, or failure of another) that guarantees the Respondent will perform or complete the tender-bid-RFQ-RFP agreement with KFN according to the standards required in the contract. It is an assurance that the Respondent will fulfill their side of any agreement with KFN.
“Special Committee”	committee formed for a specific purpose and is dissolved when that purpose has been achieved.
“Special Purpose Report”	financial report on a specific activity required by an agreement or a law. Special Purpose reports may include requirements set as per the Financial Administration Law (FAL) such as: <ul style="list-style-type: none"> • Local revenue requirements, or • Payments made by KFN to honour guarantees and indemnities, or • All debt and obligations forgiven by the Nation during the fiscal year, or • Any other report requested by Chief and Council, or the Chief Administrative Officer.
“Specification”	Detailed description of construction, workmanship, materials, insurance requirements, professional qualifications, equipment and performance measures and requirements.
“Supplier”	Source of supply/product/service.
“Surplus” “Surplus Equipment”	Excess materials or items that are no longer required such as vehicles, desks, chairs, screens, computer monitors, typewriters, cabinets, tables, office equipment, maintenance equipment, tools, etc.
“Standing Committee”	committee that has an ongoing purpose.
“Tangible Capital Assets”	are non-financial assets having physical substance that: <ul style="list-style-type: none"> • are held for use in the production or supply of goods and services, for rental to others,

for administrative purposes or for the development, construction, maintenance or repair of other Tangible Capital Assets;

- have useful economic lives extending beyond an accounting period;
- are to be used on a continuing basis; and
- are not for sale in the ordinary course of operations.

“Tax Administrator”

person responsible for managing the local revenues and local revenue account on a day-to-day basis, if the K’ómoks First Nation government is collecting local revenues.

“Technology”

Cell phones, PDA’s, Laptop and desktop computers, scanners, monitors, photocopiers, scanners, software, LCD projectors, facsimile machines, printers and multi-functional devices, peripheral devices (mouse, keyboard, etc.).

“Tender”

An offer or proposal for acceptance.

“Tender Process”

refers to the process where documents outlining the requirements and specifications of a project are put in the hands of prospective contractors or suppliers interested in submitting bids.

“Terms of Reference”

is a documented statement of the mandate, objectives, purpose, scope, functions and rules under which a Committee is expected to operate.

“Unrestricted Investments”

are investments made with funds the source of which is not government transfers or local revenues.

“Useful Life”

is the estimate of either the period over which a tangible capital asset is expected to be used by the K’ómoks First Nation, or the number of production or similar units that can be obtained from the tangible capital asset by the K’ómoks First Nation. The life of a tangible capital asset may extend beyond the Useful Life of a tangible capital asset to the K’ómoks First Nation. The life of a tangible capital asset, other than land, is finite, and is

“Value for Money”

normally the shortest of the physical, technological, commercial and legal life.

best combination of price, quality, and benefits of a product or service.

“Vendor”

Seller/Supplier.

“Virtual Private Network”

VPN is a way to use public telecommunication infrastructure, such as the internet, to provide remote offices or individual users with secure access to the First Nation government’s virtual network.

Policy Statement

It is the policy of The K'ómoks First Nation to purchase quality goods, services and assets that are environmentally responsible, at the best prices available, of high quality and value for money to demonstrate transparency, fairness, value for money when meeting KFN requirements. KFN will endeavor to utilize as many suppliers as practical to provide a wider array of opportunities for local vendors and suppliers to quote on KFN business. Goods will always be purchased as close to manufacturing level as trade practices permit.

Purpose

The purpose of this policy is to provide guidance to KFN employees, Chief and Council and KFN representatives on how purchases will be planned, managed, approved, and paid. Having clear rules will ensure KFN receives quality goods and services that:

- 1) provide value for money and meet cost expectations.
- 2) allow all suppliers with the capabilities to supply products or services at a competitive price, an opportunity to supply those items or services to the Nation.
- 3) instill public confidence in the Nation's procurement activities.
- 4) maintain a system that assures the supply of materials and services to KFN operations in a manner consistent with the Purchasing policy and at the lowest overall cost considering quality, timeliness, and wherever applicable operational costs, equipment/product life-cycles and possible residual values of acquired purchases.
- 5) ensures a well-maintained process with quality and integrity is instilled in all KFN employees or individuals procuring goods/services for the Nation.

Mission

The mission of this policy is to ensure procurement of high quality, environmentally friendly and sustainable, plus economically viable goods, services and assets at the best prices available and to allow as many suppliers/vendors as possible to quote on KFN business.

Scope

This policy and its related procedures applies to Chief and Council, KFN Employees and any KFN individual involved in purchasing goods, services and assets on behalf of the K'omoks First Nation.

It will not apply to the purchase of the following goods and services from outside parties such as:

- utility contracts (for example Telephone, power, etc).
- Contracts relating to confidential matters (for example labour, legal and land issues).
- Contracts for the sale, purchase, lease or license of land or buildings.
- Payroll related items (for example salaries, wages and benefits).
- When there are other legislated regulations that must be followed.

Section 1 – General

Responsibilities:

Chief and Council

Is responsible for:

- 1) ensuring effective control of the purchase of goods, services and assets through documented policies and procedures.
- 2) Setting purchasing-spending limits identified within the Authorization and Delegation Table

Chief Administrative Officer, or their designate

Is responsible for:

- 1) communicating the policies and procedures to all parties affected by the purchasing requirements and guidelines determined by the Nation.
- 2) Approving the payment of any invoices for goods, materials or services within the scope of purchasing without proper documentation.

Director of Finance or their designate

Is responsible for

- 1) developing, documenting and maintaining policies and procedures relating to the procurement process for goods, services, programs and assets necessary to meet the needs of K'omoks First Nation.
- 2) Preparing and assisting in the development of specifications, control of quality, quantity, selection, evaluation, pricing of merchandise and services from, and monitoring of contractors and suppliers.
- 3) To carry out inquiries concerning the reliability of suppliers and the quality of their services and products.
- 4) To compile up-to-date supplier lists for the various commodities required.
- 5) To receive and publicly open all KFN Tenders, RFQ's and RFP's.
- 6) To carry out the resale and disposal of salvageable goods, materials, merchandise, equipment and vehicles as required.
- 7) To coordinate the proper ordering, receipt, payment storage and distribution of all items.
- 8) managing and monitoring expenditures and identifying and reporting on budget variances.
- 9) To ensure any type of spending has sufficient budgetary funds to cover the expenditure. If insufficient funding is noted, a Report or Briefing Note must be submitted to either the Chief Administrative Officer or Chief and Council for approval.

Staff

Are responsible to:

- 1) follow the guidelines identified within this policy and its related procedures.
- 2) To provide proper documentation and authorizations for payment for the purchase of goods, materials, services or assets being acquired.

Requisitions

Except in emergency situations, no commitment shall be made to requisition goods or services unless funds for that purpose have been approved by Chief and Council, or approved in the annual Operating or Capital budgets, or by the CAO, Director of Finance or are required as identified within the Financial Administration Law.

Payments, Re-imbursments and Purchase Requests

Subject to the limits as noted under the Authorization and Delegation Table all employees will have the authority to purchase or requisition items or sign for the reimbursement of expenses. However, all items must be purchased and approved for spending as per the values identified under the Authorization and Delegation Table.

Purchase Orders

Only the Director of Finance or their designate, or the Chief Administrative Officer may issue purchase orders, subject to the limits identified under the Authorization and Delegation Table.

Technology Purchases

The Chief Administrative Officer or their designate or the Director of Finance is to be contacted prior to the purchase of any software or hardware to be used by any employee in the performance of their position within the K'omoks First Nation.

If a department and/or employee chooses to purchase equipment or software directly without working via the proper authorities noted above, the person may be requested to remove it to ensure equipment and software remain as standardized as possible and are easier and less costly to maintain and support.

Unauthorized Purchases

Any employee or person acquiring goods or services on behalf of KFN, who wilfully acquires any supplies for the Nation in contravention of any of the provisions of this Policy or of any regulation or order made hereunder, shall be deemed to have committed an act of malfeasance and is liable to disciplinary action.

Emergency Purchases

The Director of Finance or their designate, or the Chief Administrative Officer or their designate will normally be involved in emergency purchases as well as on a routine basis; however, if it is necessary for a department to make an emergency purchase, it is the responsibility of the Department Head to provide the necessary written authorization after the fact to the Chief Administrative Officer, Director of Finance, or to Chief and Council as the case dictates.

Conflict of Interest

No KFN Employee, representative of KFN purchasing goods or services, or Chief and Council shall place themselves or another in a position of obligation to a vendor through the acceptance of gifts or gratuities. Small advertising items such as pens, calendars, caps, etc. below a \$250 threshold are exempt from this clause.

Contracts for Consulting and Professional Services

All contracts for consulting or professional services must be approved by either Chief and Council or the Chief Administrative Officer or their designate subject to the guidelines identified with KFN's Governance Policy and/or the Authorization and Delegation Table.

Environmental-Occupational Health and Safety Compliance Purchasing

KFN shall ensure that wherever possible and economically feasible, tender-RFP-RFQ specifications are reviewed and amended to provide for consideration of environmentally preferred products and services that minimize any carbon footprint and which are environmentally preferred products and services. These specifications must address Occupational Health and Safety (OHS) requirements, which includes both sound and emission guidelines.

The consideration and selection of environmentally and/or OHS preferred products and services shall be subject to cost analysis to ensure that the products and services are made available at competitive prices and to ensure that the performance of the products and services do not alter the intended use.

Tenders-RFQ's-RFP's shall contain information that will make suppliers aware of KFN's Environmental and OHS Compliance expectations and encourage them to provide environmentally and OHS preferred alternatives.

Section 2 - Sole Source

Subject to the guidelines noted under Section 1 of this policy, should it be determined that there is only one practical source of supply for the item/service required, the Director of Finance or Chief Administrative Officer or Chief and Council in consultation with the individual requesting to sole source an item/service, may decide the appropriate method of purchase on those occasions. The Director of Finance or the Chief Administrative Officer along with the respective individual, is responsible for all purchase negotiations covering materials and services except those listed exempt from this policy.

The intent is to avoid waste both in time and materials in a non-productive tendering process when a source is predetermined to be the only source capable of performing the service or supplying the material; or the only service indicated for reasons specific to the situation even though competition may be potentially available.

Section 3 - Purchasing-Credit Cards

The allocation of KFN Purchasing-Credit Cards for the purpose of acquiring goods and services must be approved by either the Chief Administrative Officer or the Director of Finance. Cards for the Chief Administrative Officer or cards for individual Council members must be approved by a majority vote of Chief and Council.

Chief Administrative Officer or the Director of Finance will maintain control over the issuance and usage of all Purchasing-Credit cards. At their discretion, the CAO or Director of Finance shall have the authority to suspend or cancel an individual's card for not complying with KFN's Purchasing policy and procedures.

It will be the policy of KFN to prefer local suppliers who accept KFN purchasing-credit cards. In the event KFN is required to conduct business with vendors that do not accept KFN's purchasing-credit cards, alternate payment/billing arrangements will be made with that vendor.

Section 4 – Tenders-Bids

Tendering or requesting Bids will encourage maximum competition to ensure the best possible price advantage to KFN as well as the provision of high quality, environmentally friendly and sustainable goods and services.

It will be the responsibility of a Department Director, or individual in charge, to prepare, in conjunction with the Director of Finance or Chief Administrative Officer the specifications for items being tendered or bid for. Specifications should be as broad as practical to assure an economic supply, but sufficiently detailed to ensure a supplier is clearly aware of what quality goods and services are expected of them.

KFN Administration is responsible to adhere to the policy of recommending to Chief and Council, or the Chief Administrative Officer, the acceptance of the lowest evaluated bid or tender meeting the Nations' specification criteria. "Evaluated" may occasionally call for staff judgments and the evaluation process will consider initial cost, operating costs, warranty(ies), residual values, useful lives and disposal values.

The Chief Administrative Officer shall have the authority to award tenders or bids as outlined in the Authorization and Delegation Table.

In all cases where it does not contravene federal or provincial legislation governing the Nation, K'omoks First Nation (KFN) reserves the right to refuse any or all Tenders, Bids or Proposals where the Nation deems it to be in the best interests of the Nation to do so having regard, but not limited to, questions of quality supply and service, timelines, performance trustworthiness, solvency, monies owing or due to the Nation and the existence or potential of legal disputes or conflicts with the K'omoks First Nation (KFN).

Section 5 – Request for Proposals (RFP) - Request for Quotes (RFQ)

Any supply, good, asset or service required by KFN in which specific requirements cannot be identified shall be procured by a Request for Proposals (RFP) or a Request for Quotes (RFQ).

Responsibilities

Departments must prepare specifications for the good(s), supply(s), asset(s) or service(s) they are requesting and to ensure specifications are as broad as practical to ensure an economic supply is available. When necessary, insurance coverage for the good or service may also be included in the specifications.

It is KFN's position to recommend the acceptance of the lowest evaluated bid or tender meeting the Nations' specification criteria. "Evaluated" may occasionally call for staff judgments and the evaluation process will consider initial cost, operating costs, warranty(ies), residual values, useful lives and disposal values.

Formal tendering will encourage maximum competition to ensure the best possible price advantage to KFN.

Awarding

The Chief Administrative Officer shall have the authority to award tenders or bids as outlined in Authorization and Delegation Table.

Any tender, bid, RFP, RFQ or multi-year contract awards outside the CAO's authorization authority require a report to Chief and Council for their review and approval.

With respect to the awarding Request for Proposals, Requests for Quotes and Multi-Year contracts, in all cases where it does not contravene federal or provincial legislation governing the Nation, K'omoks First Nation reserves the right to refuse any or all RFP, RFQ or multi-year contract proposals where the Nation deems it to be in the best interests of the Nation to do so having regard, but not limited to, questions of

quality supply and service, timelines, performance trustworthiness, solvency, monies owing or due to the Nation and the existence or potential of legal disputes or conflicts with the K'omoks First Nation (KFN).

Section 6 - Multi-Year Contracts

KFN shall have the authority to enter into multi-year contracts, or contracts beyond the current year, if the contract is advantageous to the Nation provided:

- a). The original term of the multi-year contract does not exceed five years in total including the current year.
- b). the contract includes a clause enabling the cancellations of the contract in the event funding is not provided in subsequent years.
- c). The contract includes a clause that the acquisition of the goods and/or services in the second and subsequent years of the contract is subject to continued acceptable performance by the vendor and/or continued acceptable quality of goods and/or services acquired under the contract.

Multi-year contracts are subject to the financial limitation found within this overall Policy and shall be evaluated and approved based on annual budgetary constraints.

Section 7 – Surplus/Obsolete Items

Items surplus to KFN operations may be re-assigned, traded, held for later use, altered for other uses, sold on web-based applications, at the discretion of KFN or in consultation with the Chief Administrative Officer.

Public Works, working with the Director of Finance or their designate is responsible for inventory control and disposal of all surplus equipment and/or salvage materials.