

Purchasing Policy

In 2013, the Financial Management Best Practice Committee (FMCBC) was reconvened to identify core financial best practices for municipalities in Nova Scotia. The Purchasing Policy was selected to be part of this group of essential best practices.

Recommendation

Municipalities should have a comprehensive and detailed purchasing policy that complies with the *Public Procurement Act* of the Legislature of Nova Scotia. The Association of Municipal Administrators of Nova Scotia has drafted a model purchasing policy that the Financial Management Capacity Building Committee recommends as a template for municipalities.

Background

In 2008, the Financial Management Capacity Building Committee (FMCBC), a joint committee of the Association of Municipal Administrators and the Municipal Finance Corporation, approved a Purchasing Policy best practice. The best practice was designed to be used by Nova Scotia municipalities in the development of their own procurement policies.

Since the FMCBC approved the best practice, the procurement landscape for Nova Scotia municipalities has undergone significant change. In 2008, the *Atlantic Procurement Agreement* was revised to include Nova Scotia municipalities and in 2011, the *Public Procurement Act*, which governs the procurement practices of all Nova Scotia municipalities, was passed. These changes rendered the original FMCBC Recommended Best Practice out of date.

Current Situation

In 2013 the FMCBC was reconvened and identified the Purchasing Policy as a core best practice. However, in light of the policy changes in the area of procurement in the last few years, both the provincial government and the Association of Municipal Administrators have prepared comprehensive resources for Nova Scotia municipalities. In recognition of this work, the FMCBC core best practice will serve as a directory for Nova Scotia municipalities who are looking for support in the preparation of their purchasing policy.

Resources

AMA Model Purchasing Policy

The Association of Municipal Administrators developed a Model Purchasing Policy which is available online in their Model Policy Manual. The model policy serves as a template for municipal purchasing policies:

<http://www.amans.ca/index.php?/projects-and-resources/public-resources.html>

Public Procurement Act – Implementation Guide for Public Sector Entities

The Government of Nova Scotia has prepared an implementation guide to accompany the *Public Procurement Act*. It is tailored specifically for the MASH sector and provides, amongst other things, a policy checklist and answers to frequently asked questions. To access this document, municipalities must login to the provincial website (<https://www.gov.ns.ca/tenders/mash-login.aspx>). Municipalities can use their AGT username and password or email NS_Procure@gov.ns.ca for access information.

The Government of Nova Scotia Sustainable Procurement Policy

The Government of Nova Scotia has a Sustainable Procurement Policy which governs the provinces purchasing. The *Public Procurement Act* states that if a municipality does not have its own purchasing policy it is subject to this policy¹. The policy is available online and should be understood by municipalities who opt not to develop their own policy. It can also be used as a resource for municipalities who are developing their own policy.

<http://www.novascotia.ca/tenders/policies-processes/procurement-policy.aspx>

¹ *Public Procurement Act* (8)(2)(b). Retrieved from <http://nslegislature.ca/legc/statutes/pubprocm.htm>