

Category: Purchasing

Delegation of Department Head Purchasing Authority

Policy Number: PUR-100

Approved by: CAO/CLT – October 26, 2023

Administered by: Purchasing, Strategic Services and Initiatives, Office of the CAO

Effective Date: January 25, 2024

1. Purpose.....	2
2. Application and Scope	2
3. Exceptions.....	2
4. Outcomes.....	2
5. Policy Statement.....	2
6. Mandatory Requirements	2
7. Roles and Responsibilities	4
8. Monitoring and Compliance	5
9. Definitions.....	5
10. References and Resources.....	6
11. Revision History	7

1. Purpose

- 1.1 The purpose of this Administrative Directive is to establish the application of delegated Department Head purchasing authority as set out in the Purchasing By-law at the City of Brampton (the “City”).

2. Application and Scope

- 2.1 This Administrative Directive applies to all City staff involved in the procurement of goods, services or construction for the City.

3. Exceptions

- 3.1 This Administrative Directive does not apply to the exceptions as noted in the Non-application Schedule of the Purchasing By-law.
- 3.2 Any variations to the delegation of Department Head purchasing authority set out in this Administrative Directive must be approved by the Purchasing Agent.

4. Outcomes

- 4.1 The appropriate level of management is accountable for any procurement decisions at the City; and
- 4.2 All purchasing by the City is reasonable, appropriate and within approved/budgeted amounts.

5. Policy Statement

- 5.1 Only the Department Head may delegate his/her purchasing authority.

6. Mandatory Requirements

- 6.1 Authority – New Contract

Transaction Value	Minimum Approval Required
Up to \$25,000	Any Permanent Full-Time Employee
Up to \$100,000	Supervisor or Equivalent
Up to \$500,000	Manager, Senior Manager
Up to \$1,000,000	Director
Over \$1,000,000	Department Head and Chief Administrative Officer ('CAO')

6.2 Authority - Contract Extension Greater than 20%

Transaction Value	Minimum Approval Required
Up to \$25,000	Any Permanent Full-Time Employee
Up to \$100,000	Supervisor or Equivalent
Up to \$500,000	Manager, Senior Manager
Up to \$1,000,000	Director
Over \$1,000,000	Department Head and Chief Administrative Officer ('CAO')

6.3 Authority - Contract Extension Less than 20%

Transaction Value	Minimum Approval Required
Up to \$25,000	Any Permanent Full-Time Employee
Up to \$100,000	Any Permanent Full-Time Employee
Up to \$500,000	Supervisor or Equivalent
Up to \$1,000,000	Manager, Senior Manager
Over \$1,000,000	Director

6.4 Authority– Limited Tendering/Irregular Result

Transaction Value	Minimum Approval Required
\$25,000 to \$100,000	Manager, Senior Manager
Up to \$500,000	Director
Up to \$1,000,000	Department Head
Over \$1,000,000	Department Head and CAO

6.5 Authority– Emergency Purchase

Transaction Value	Minimum Approval Required
\$25,000 & Greater	Department Head or CAO or CBO

6.6 Authority– Asset Disposal

Transaction Value	Minimum Approval Required
Any Value	Manager, Senior Manager

6.7 Authority– Non-Monetary Contract Changes

Transaction Value	Minimum Approval Required
Not applicable	Supervisor or Equivalent

7. Roles and Responsibilities

7.1 Employee:

- 7.1.1 Fully understand and comply with this Administrative Directive;
- 7.1.2 Understand the delegated Department Head purchasing authority assigned to them and the responsibilities associated with it;
- 7.1.3 Exercise integrity and good business judgment when using the assigned delegated Department Head purchasing authority; and
- 7.1.4 Delegated Department Head purchasing authority is only used in the performance and benefit of City business.

7.2 Department Head:

- 7.2.1 Ensure employees are in compliance with the rules and requirements of this Administrative Directive and take appropriate corrective actions when required;
- 7.2.2 Accountable for the purchasing decisions exercised by the delegate to which they have granted the purchasing authority; and
- 7.2.3 Responsible for updating or revoking delegated Department Head purchasing authority for any status changes for City staff, including change in departments, authority levels or employment status with the City.

7.3 Purchasing:

- 7.3.1 Provide advice and direction on interpretation and application of this Administrative Directive; and
- 7.3.2 Monitor compliance and follow up on those delegated Department Head purchasing authorities not in compliance.

8. Monitoring and Compliance

- 8.1 It is the Department Head's responsibility to monitor and ensure their respective staff to whom purchasing authority has been delegated are in compliance with this Administrative Directive.
- 8.2 Monitoring and compliance of the purchasing authority will be conducted by Purchasing through a review and approval of selected procurements.
 - 8.2.1 Consequences of non-compliance
 - 8.2.2 Failure to follow this Administrative Directive may result in:
 - a) Processing delays;
 - b) Loss of delegated purchasing authority privileges and/or disciplinary actions up to and including termination.

9. Definitions

- 9.1 **Authority** – The Department Head approval of a purchase commitment.
- 9.2 **Chief Building Official or CBO** – The person appointed by Council as the chief building official under the Building Code Act.
- 9.3 **Contract Extension** – An amendment increasing the value, changing the scope of work or extending the term, where the terms of the Contract do not include the option for such amendment.
- 9.4 **Director** – The head of a division reporting directly to the CAO or Department Head.
- 9.5 **Division** – A part of a department whose head reports directly to the CAO.
- 9.6 **Emergency** – An unforeseeable, serious emergency situation where the immediate purchase of goods, services or construction is essential in order to maintain a required service or to prevent danger to life, health or property within the City.
- 9.7 **Irregular Result** – A result in a Procurement in which:
 - 9.7.1 Another Procurement Process should have been conducted based on the bid results;
 - 9.7.2 Award of a Contract to the Bidder, as a result of the Procurement Process, does not represent best value and is not in the best interest of the City; and
 - 9.7.3 Council authority to commence Procurement should have been obtained.

- 9.8 **Limited Tendering** (previously known as Single/Sole Source) – A Procurement Process where negotiations are entered into with one or more than one Vendor based on the circumstances in Schedule C to this By-law and includes Direct Negotiations as a Procurement Process where there is no competitive process.
- 9.9 **Non-monetary Contract Changes** – Altering the originally agreed Contract Term and/or the originally approved City account numbers.
- 9.10 **Supervisor** – Staff that may have financial responsibility for monitoring operating or capital accounts as determined by the Department Head.

Except as otherwise defined in this Administrative Directive, the capitalized words shall be given the meaning ascribed to them in the City's Purchasing By-law.

10. References and Resources

This Administrative Directive should be read and applied in conjunction with the following references and resources as updated from time to time. Please note that some of the following documents may not be publicly available.

10.1 References to related bylaws, Council Policies, and Administrative Directives

- [Financial Spending Approval Authority Administrative Directive](#)
- [Purchasing By-law](#)
- [Administrative Authority By-law](#)
- Asset Disposal Policy
- [Purchasing Card Policy](#)

11. Revision History

Date	Description
2018/02/08	Replaces Delegation of Department Head Authority Policy 13.15.2 – March 1, 2016
2018/04/26	Administrative amendment authorized by Director of Purchasing Section 7, paragraph 2, the phrase “approval of each procurements” has been replaced with “approval of selected procurements”.
2018/09/20	Administrative amendment authorized by Director of Purchasing Section 2.2 the word “levels” has been deleted.
2021/12/31	Reviewed
2023/10/26	Authority for Contract Extension added with breakdown of greater than and less than 20%. Approved by CLT. Effective on January 25, 2024.
2026/02/01	Next Scheduled Review