

2015 Repeal of Spending By-law

Article 5: Fair, open and objective business practices, Spending By-law

5.1 The co-op will follow fair, open and objective business practices in all its purchasing and contracting. Its spending practices and awarding of contracts must be consistent with the co-op's Conflict of Interest By-law.

5.2 The following rules apply to all spending except for routine or non-discretionary expenses such as property taxes, mortgage payments, utilities and existing salaries (once a staff position and salary have been approved).

(a) Expenses under \$2,500

The board/office is not required to get written quotes for expenses under \$2,500, but must be accountable for spending decisions.

(b) Expenses between \$2,500 and \$5,000

The board/office will get three written quotes before approving a discretionary expense between \$2,500 and \$5,000 for the Maintenance Committee to consider and choose from, providing there are at least three maintenance representatives present at the Maintenance Committee meeting.

The Maintenance Committee must review the prices of regular suppliers and contractors at least every second year to see if their prices remain competitive. Where the co-op has a contract, the co-op must review prices at the end of the contract. There will be no automatic renewal of any contract or agreement.

(c) Contracts of \$5,000 or more

The board/office must get three written quotes for contracts and agreements of \$5,000 or more, which the Maintenance Committee will review and prepare a recommendation for the board of directors, providing there are at least three maintenance representatives present at the Maintenance Committee meeting.

Contracts or agreements costing \$5,000 or more must contain a clause allowing the co-op to terminate the contract or agreement without penalty where there has been a breach of the co-op's Conflict of Interest By-law.

There will be no automatic renewal of any contract or agreement.

5.3 Choosing a quote

When choosing a quote the board must:

- consider the quality of goods and services to be provided, and
- base its decision on written documents outlining resources, timing, cost and fees.

The board does not have to choose the lowest quote. It may choose another quote for

reasons such as quality, experience and timing. If it does not choose the lowest quote, it must document the reasons for its choice in the minutes.

Passed by a decision of the members at the General Members Meeting, June 15 2015.

Signed: Nancy Revok
President

Date: July 20 2015

Signed: [Signature]
Director

Date: July 20 2015.