

KWANLIN DÜN FIRST NATION

FINANCIAL ADMINISTRATION ACT

Part 5

PURCHASE ORDER AND CONTRACT REGULATIONS

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made under the **KWANLIN DÜN FIRST NATION
FINANCIAL ADMINISTRATION ACT**

Regulations Prescribing Terms, Conditions and Rules Respecting Purchase Orders and Contracts

The Kwanlin Dün First Nation Council hereby enacts as follows:

Short title

1. These Regulations may be cited as the *Purchase Order and Contract Regulations*.

Interpretation

2. (1) In these Regulations,

“Act” means the *Kwanlin Dün First Nation Financial Administration Act*;

“capital contract” means a contract for the acquisition or construction of capital property or of improvements in respect of capital property;

“Capital Director” means the Director of the department responsible for, among other things, overseeing capital construction projects;

“contract” means any agreement or undertaking, whether or not in writing, that provides for the acquisition, by way of purchase or otherwise, of any property or service by or on behalf of the Nation for consideration, and includes an employment contract entered into by or on behalf of the Nation as the employer;

“improvement”, in respect of capital property, means any property or service acquired for the purpose of improving the capital property to the extent that the value of the acquired property or service is, under generally accepted accounting principles, included in determining the cost of the capital property;

“purchase order” means any requisition, offer or commitment, whether or not in writing, to purchase property or services in exchange for the payment of an amount by the Nation;

“Responsible Councillor”, in respect of a contract for which a particular department is responsible, means the Councillor having responsibility for that department;

“Responsible Director”, in respect of a purchase order or contract, means the Director of the department that is responsible for that purchase order or contract.

(2) Words and expressions used, but not defined, in these Regulations have the same meanings as in the Act.

Enforceability

3. (1) No purchase order or contract is enforceable against the Nation unless all applicable terms and conditions prescribed by these Regulations have been complied with in respect of the purchase order or contract.

(2) A purchase order or contract is not rendered unenforceable against the Nation by reason only of the fact that it was made in breach of, or was not in accordance with, any directive, prescription or policy made under authority of the Act that is not referred to in these Regulations, unless the supplier under the purchase order or contract had reason to believe, or had knowledge of, that fact when accepting the purchase order or entering into the contract.

Evidence to be provided to supplier on request

4. If the supplier under a purchase order or contract so requests, a copy of, or other document evidencing, the relevant authority, approval, directive or delegation referred to in subsection 5(2), (3) or (5), 6(2) or 8(1) or (2) must be provided to the supplier by the person making the purchase order or contract on behalf of the Nation.

General terms and conditions

5. (1) Subject to subsection (2), all purchase orders and contracts must be in writing.

(2) The Management Committee may, by written directive, specify a particular purchase order or contract, or class of purchase orders or contracts, that are exempt from the application of subsection (1), provided that the particular purchase order or contract, or each purchase order or contract of the specified class, as the case may be, does not contemplate payments by the Nation of more than \$1,000 in aggregate.

(3) Every purchase order and contract that is, or is required to be, in writing must be signed by a public officer with authority under these Regulations or another law of the Nation to sign the purchase order or contract.

(4) If a purchase order contemplates payments by the Nation of \$5,000 or more in aggregate, it must be supplemented by a contract.

(5) It is a term of every contract and purchase order that an amount that becomes due from the Nation under the contract or as a result of the acceptance of the purchase order is not payable unless there is authority granted pursuant to a provision of the Act, or granted pursuant to another law of the Nation, to pay the amount in the fiscal year in which it falls due.

(6) If a single offer or undertaking to acquire property or services from a supplier is evidenced by more than one purchase order or contract, the determination as to which of sections 6 to 8 apply in the circumstances shall be made on the basis of the aggregate of all of the payments by the Nation that are contemplated by all of those purchase orders or contracts combined as if they together comprised a single purchase order or contract.

(7) If a contract (in this subsection referred to as the "pre-existing contract") is renewed, extended or otherwise varied, with or without entering into a new contract, such that additional payments by the Nation are contemplated to be made, for the purposes of determining which of sections 6 to 8 apply in respect of the renewal, extension or variation, the total of all payments by the Nation that either already have been made or are still contemplated to be made pursuant to the terms of the pre-existing contract shall be added to the total of all payments by the Nation that are contemplated to be made as a result of the renewal, extension or variation.

Signing authorities – purchase orders and contracts under \$5,000

6. (1) Subject to subsection (2), a contract or purchase order in writing that contemplates payments by the Nation of less than \$5,000 in aggregate requires the signature of either the Comptroller, acting on the recommendation of the Responsible Director, or of the Responsible Director.

(2) A Director of a department may, in writing, delegate the signing of a purchase order or contract pursuant to subsection (1) to a manager of the department who is designated in the delegation, subject to such terms and conditions as may be specified therein.

Signing authorities – contracts between \$5,000 and \$40,000

7. A contract that contemplates payments by the Nation that, in aggregate, amount to less than \$40,000, but not less than \$5,000, requires two signatures as follows:

(a) the signature of

(i) in the case of a contract that is not a capital contract, the Responsible Director, or

(ii) in the case of a capital contract, either the Capital Director, acting with the concurrence of the Responsible Director, or the Responsible Director, and

(b) the signature of the Comptroller.

Contracts of \$40,000 or more

8. (1) Subject to subsection (2), a contract that contemplates payments by the Nation of \$40,000 or more in aggregate must not be entered into unless the project or undertaking to which the contract relates has been approved by the Council, the Management Committee or another

committee of the Council by way of a budgetary appropriation, special warrant, written resolution or written directive that is, in any case, specific to that project or undertaking.

(2) The Management Committee may, by written directive, specify a contract or class of contracts to which the requirement under subsection (1) does not apply.

(3) If a contract contemplates payments by the Nation of \$40,000 or more in aggregate, the contract requires two signatures as follows:

(a) the signature of

(i) in the case of a contract that is not a capital contract, either the Responsible Director, acting with the concurrence of the Comptroller, or the Comptroller, acting on the recommendation of the Responsible Director, or

(ii) in the case of a capital contract, either the Responsible Director, acting with the concurrence of the Comptroller, the Capital Director, acting with the concurrence of the Responsible Director and the Comptroller, or the Comptroller, acting on the recommendation of the Responsible Director, and

(b) either the signature of the Chief or the Finance Councillor, in either case acting on the recommendation of the Responsible Councillor, or the signature of the Responsible Councillor.

Coming into force

9. Subject to the transition rules under section 66 of the Act, these Regulations shall come into force on the day on which the Act comes into force.