



Newfoundland &
Labrador

HOUSE OF ASSEMBLY MANAGEMENT COMMISSION

DIRECTIVE

Directive Number 2021-002

Effective Date: December 7, 2021	Commission Minute: 2021-033
Subject: Amendments to <u>Standard Office Allocation Package for Members and Constituency Assistants</u> , <u>Inventory Management Policy</u> and <u>Purchasing Policy</u>	Reference: HOAMC Meeting, December 1, 2021 Agenda Item 5
Issued To: Members of the House of Assembly; Comptroller General; Directors of Government Accounting, Professional Services and Internal Audit, Financial Systems Control, and Corporate Services; Office of the Auditor General; Office Managers of Government Caucus, Official Opposition Caucus, NDP Caucus; Deputy Clerk, Executive Council; Deputy Chief of Staff, Office of the Premier.	Contact: Wanda Lee Mercer Chief Financial Officer wandaleemercer@gov.nl.ca 709-729-2923

BACKGROUND

House officials identified various routine amendments to House of Assembly policies, which were brought forward for the Commission's consideration:

Standard Office Allocation Package for Members and Constituency Assistants:

This Policy outlines the office furniture, equipment and services provided to Members with constituency offices located within the district. Due to changes in technology and efficiency in cost, the Commission approved amendments as outlined below.

Inventory Management Policy:

This Policy provides guidance on the accounting and control of moveable assets. As all equipment purchased for or by a Member remains the property of the House of Assembly, the Policy provides that physical inventory counts be conducted **at least once in a four-year period**.

When the Policy was developed and approved, it assumed the length of a general assembly to be four years. As the physical inventory counts need to be conducted prior to the end of a general assembly regardless of its length, the Commission approved amendments as outlined below.

Purchasing Policy:

This Policy provides guidance on purchase of goods and services by or for Members of the House of Assembly. When the policy was developed, \$200 was set as the threshold for items that required three quotes, and/or explanation of how fair and reasonable price was established (i.e. anything less than \$200 does not require three quotes/explanation of fair and reasonable price; anything greater than \$200 requires three quotes/explanation of fair and reasonable price).

Since that time, government procurement policies and legislation have changed to increase the threshold for purchase of items without quotations/explanation of how fair and reasonable price was established. While the threshold purchased by or for MHAs remains at \$200, the practice for all other purchases by the House of Assembly places the threshold at \$500. To bring the MHA policy in line with government policy, the Commission approved amendments as outlined below.

DIRECTIVE

The Commission directs amendments as outlined to the Standard Office Allocation Package for Members and Constituency Assistants; the Inventory Management Policy; and the Purchasing Policy for Members – Under \$200:

1. Standard Office Allocation Package for Members and Constituency Assistants:

- Due to changes in technology and efficiency in cost, House officials recommend the following amendments:
 - **Remove:** One television (including accessories) not greater than 32 inches
 - **Add:** One television (including accessories), most economical available at time of purchase.
 - **Remove:** One camera and accessories
(Note: Most Members use their mobile device for photos. Should a Member still wish to have a camera, they can request it with prior approval of the Clerk for expenditures up to \$1,000).
 - **Remove:** One recording device for television
 - **Add:** Cable service – installation and maintenance of the most basic package, including:
 - local news channels and the House of Assembly broadcast channel;
 - recording device (PVR).Satellite services are not permitted.

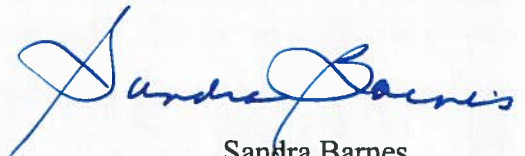
2. Inventory Management Policy:

- When the Policy was developed and approved, it assumed the length of a general assembly to be four years. As the physical inventory counts need to be conducted prior to the end of a general assembly regardless of its length, House officials recommend the following amendment:
 - **Remove:** Physical counts of all inventory items will be conducted by Corporate and Members Services (or designates) on a periodic basis and at a minimum once every four years.
 - **Add:** Physical counts of all inventory items will be conducted by Corporate and Members Services (or designates) on a periodic basis and at a minimum once in each general assembly.

3. Purchasing Policy – Under \$200:

- House officials recommend the Purchasing Policy for Members be amended to increase the threshold from \$200 to \$500 for purchase of goods/services by or for Members without quotations/explanation of how fair and reasonable price was established.

The revised policies are attached.


Sandra Barnes
Clerk of the House of Assembly



House of Assembly

Standard Office Allocation Package for Members of the House of Assembly and Constituency Assistants

December 2021

The Office Furniture and Equipment package for Members and Constituency Assistants includes:

1. Office Furniture:

- One L-shaped desk, wood, veneer
- One credenza, wood veneer
- One bookcase, wood veneer
- Chair, executive (high/low back) with wheels
- Six visitor chairs
- One L-shaped workstation with hutch
- One chair with wheels
- One TV stand
- One coffee table for waiting area
- Two lockable four drawer lateral/vertical filing cabinets
- Three wastepaper baskets
- Two recycling boxes
- Three coat racks
- Water cooler
- One wall clock
- Stand for combination unit (Printer/Fax/Copier/Scanner)
- Stand for printer

2. Equipment:

- One photocopier
- One scanner
- One facsimile OR a combination photocopier, scanner and facsimile machine
- Two desk-top printers
- Cross-hatch shredder
- One television (including accessories) most economical available at time of purchase.
- Two calculators
- Three computers, including accessories
- Two telephones for constituency office
- One telephone for Member's residence (if requested)
- Two cell phones or blackberries (one each for the Member and Constituency Assistant).
Limit of **3 devices each per General Assembly** – see *Cellular and Landline Phone Services Policy for Members of the House of Assembly and Constituency Assistants*.

Other furniture and equipment can be **pre-approved** for purchase by the **Clerk of the House of Assembly**, to a **maximum of \$1000**. The Clerk must report all such approvals at a subsequent meeting of the Management Commission.

3. Services

- Telephone services for Constituency Office:
 - Message manager
 - Call display
 - Long distance plan
 - 1-800 number (if requested)
- Telephone services for Member's residence:
 - Message manager
 - Call display
 - Long distance plan
- Cell phone or blackberry services:
 - Message manager
 - Call display
- Facsimile service:
 - The installation and maintenance of a facsimile line
 - Internet and intranet services:
 - Access provided through the government network (where possible)
- Cable service:
 - Installation and maintenance of the most basic package, including local news channels; House of Assembly broadcast channel; and recording device (PVR). Satellite services are not permitted.
- Calling card:
 - A Member and his/her constituency assistant are entitled to a calling card, if requested.



House of Assembly

Inventory Management Policy

December 2021

Table of Contents

1.0 Approval

2.0 Purpose

3.0 General

4.0 Process

4.1 Definitions

4.2 Restrictions

4.3 Acquisition

4.4 Recognition and Measurement

4.5 Safeguarding

4.6 Write-downs

4.7 Disposals

1. Approval

Under the authority of subparagraph 20(6)(b)(ii) of the *House of Assembly Accountability, Integrity and Administration Act*, the House of Assembly Management Commission establishes this inventory management policy.

2. Purpose

To provide for the accounting and control of the inventory of moveable assets including proper acquisition, measurement, safeguarding, write-downs and disposal.

3. General

Subsection 25(2) of the Members' Resources and Allowances Rules states "All purchases within the standard office allocation remain the property of the government of the province and shall be identified by appropriate markings as House assets".

Subsection 25(4) states "the clerk shall maintain and update an inventory report of all House assets entrusted to each member."

Subsection 25(5) states "a member is personally responsible for all items in an inventory and shall account on an annual basis or on demand to the speaker for the items listed in his or her inventory report".

The objective of this policy is to ensure that internal controls are in place to safeguard and manage the inventory of moveable assets of the Legislature (including all asset items entrusted to Members) in an efficient and effective manner.

4.0 Process

This policy applies to all inventory items which meet the definition of inventory under Section 4.1 and are purchased for Members of the House of Assembly, their Constituency Assistants and for the House of Assembly Service, Caucus Offices and Statutory Offices.

4.1 Definition

For the purposes of this policy, inventory is defined as:

- a. All office furniture and equipment included in the standard office allocation (as defined in subsection 25(1) of the Members' Resources and Allowances Rules) and located in constituency offices outside the Confederation Building;
- b. Other office furniture and equipment items purchased for constituency offices outside the Confederation Building with a cost in excess of \$200 per item;
- c. All other office furniture and equipment with a cost in excess of \$200 per item;
- d. Blackberries and cell phones for Members and staff regardless of the cost per item; and
- e. Historic and cultural assets

4.2 Restrictions

- Office furniture and equipment includes but is not restricted to, computers, laptops, printers, fax machines, photocopiers, televisions, cameras, any specialized equipment, blackberries, cell phones, desks, filing cabinets, chairs, tables.
- Items excluded are office supplies, library materials, election readiness materials (forms, maps, booklets, ballot paper, etc.).

4.3 Acquisition

All inventory items will be acquired in accordance with the *Public Procurement Act* and the Government Purchasing Agency Customer Manual except where amended by a Rule, Directive or Decision of the House of Assembly Management Commission.

4.4 Recognition and Measurement

Inventory will be recorded at historic cost. If the historic cost is not available, the item will be recorded at estimated historic cost.

4.5 Safeguarding

- All inventory items will be recorded in the Inventory System maintained by the Corporate and Members' Services Division of the House of Assembly Service.

- The Inventory System will record: description of the item; acquisition date and historic cost; purchase order number (if applicable); supplier; warranty; location; asset tag number; etc. for each item.
- All items except blackberries, cell phones, and historic and cultural assets will have an asset tag affixed to indicate the ownership of the government of the Province. Asset tags are assigned a number that matches a specific inventory item in the Inventory System.
- It is the responsibility of each Member of the House of Assembly, Director or Statutory Officer to ensure that inventory items assigned to his or her custody are maintained and safeguarded.
- At least once a year, a report which includes a listing of the assigned inventory items will be forwarded to each custodian. These reports must be verified for completeness and accuracy and any changes reported to Corporate and Members' Service Division.
- Physical counts of all inventory items will be conducted by Corporate and Members Services (or designates) on a periodic basis and at a minimum, once each general assembly.
- As a general rule, all items should remain at the physical location assigned to them. Should it be necessary to move an item, it is the responsibility of the custodian to inform Corporate and Members' Service Division to ensure that the Inventory System is updated to reflect the new location.
- It is the responsibility of the custodian to report any stolen, lost or damaged inventory items to Corporate and Members' Services Division.
- All inventory items purchased with government funds remain the property of the government of the Province.

4.6 Write-downs

Inventory items will be written down when a reduction in the value of their service potential can be measured and the reduction is expected to be permanent.

4.7 Disposals

Items which are no longer serviceable or are considered obsolete will be disposed of in accordance with the Government Purchasing Agency Customer

Manual pertaining to surplus assets and will be removed from the inventory system.



House of Assembly

Purchasing Policy – Under \$500

December 2021

Table of Contents

1.0 Approval

2.0 Purpose

3.0 General

3.1 Principles

4.0 Policy

4.1 Restrictions

5.0 References

1.0 Approval

Under the authority of subsection 48(2) & subparagraph 20(6)(b)(ii) of the *House of Assembly Accountability, Integrity and Administration Act*, the House of Assembly Management Commission establishes this policy respecting the purchasing of items under \$500.

2.0 Purpose

To allow Members of the House of Assembly to purchase low dollar items without obtaining three quotes to simplify the purchasing process and reduce time spent processing orders and claims for items under the \$500 threshold.

3.0 General

3.1 Principles

In considering and approving purchases under \$500 pursuant to this policy, the Members of the House of Assembly must ensure that the purchase is eligible for reimbursement under the *House of Assembly Accountability, Integrity and Administration Act*, the *Members' Resources and Allowances Rules*, Directives of the Commission and in compliance with the *Public Procurement Act*.

4.0 Policy

This policy allows Members of the House of Assembly to purchase items eligible under the *House of Assembly Accountability, Integrity and Administration Act*, the *Members' Resources and Allowances Rules*, and directives of the commission, under the value of \$500, without obtaining three quotes as per the *Public Procurement Act*.

Once a proposed purchase under \$500 is identified by the Member of the House of Assembly, it may be made in one of two ways:

- a. by direct purchase by the Member or Constituency Assistant (if authority has been delegated) under this policy;
- or,**
- b. by issuance of a requisition that is forwarded for processing to Corporate & Members' Services Division, who will follow the *Public Procurement Act* and Government Purchasing Agency Policies.

If the eligible purchase is made by the Member or Constituency Assistant, the original detailed receipt for the purchase, plus proof of payment, must be submitted on a Member Expense Claim for reimbursement within 60 days, as per subsection 7(6) of the *Members' Resources and Allowance Rules*.

If multiple suppliers are located within a community or region, every effort should be made by Members to rotate purchases among suppliers. This ensures a fair and reasonable price has been obtained in compliance with the *Public Procurement Act* and ensures the Legislature will receive value for dollars spent.

Where possible, Members should purchase items on Standing Offer Agreement (including vehicle rentals), by submitting a requisition to the Corporate and Members' Services Division. This is preferable as the Standing Offer Agreements established by Government provide for better prices and rates.

4.1 Restrictions

Under this policy a Member of the House of Assembly may not:

- split purchases to avoid exceeding the \$500 maximum threshold.

5.0 References

Members' Resources and Allowance Rules

Government Purchasing Agency Customer Manual

Public Procurement Act