

**BOARD OF EDUCATION  
School District #33 (Chilliwack)**

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**709.2  
ADMINISTRATIVE REGULATION  
Purchasing**

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**PURCHASING OBJECTIVES**

The following objectives for School District procurement activity for goods, services and construction are based on the principles of fair and open public sector procurement: competition, value for money, transparency and accountability.

The primary function of the Purchasing Department is to assist Schools and Departments in obtaining the goods and services they require at the best value for their money, while ensuring that all acquisitions are consistent with policy, applicable legislation, and terms and conditions of Federal and Provincial trade agreements.

All purchases of goods and/or services may be processed via one of the following four methods of acquisition:

- 1) Purchase Order
- 2) Purchasing Card (PCard)
- 3) Online
- 4) Reimbursement of purchases made with personal funds

All purchase orders must be created through the SDS accounting system. Purchase orders do not have to be created if using a purchase card, ordering on-line with a credit card, or if using personal funds. However, in all cases, the purchase must be approved by the site supervisor prior to the goods or services being acquired.

**PURCHASING LIMITS AND AUTHORIZATIONS**

All purchases made by District personnel using funds held in district accounts are covered by the following procedures.

**School/Department Purchases**

Schools and departments may make purchases of up to \$5,000 per transaction either on a purchase order or through the use of a District Purchasing Card (PCard) subject to limitations as outlined in the Specialized Equipment section.

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Cross Refs: NWPTA (New West Partnership Trade Agreement)

Adopted: May 23, 1979

Reviewed:

Revised: May, 2012, January 9, 2013

Items where the value is greater than \$5,000 must be purchased through the purchasing department.

Administrative Officers and Department Managers must undertake an informal competitive bidding process (through school/department staff or with the assistance of the purchasing department) for purchases of individual items with a value greater than \$2,500 but less than \$25,000. Formal competitive bidding guidelines must be followed, as outlined below, for items over \$25,000.

Informal Method:

- District personnel purchasing items valued between \$2,500 and \$25,000 **MUST** get three written quotations, at a minimum.
- Schools are encouraged to get quotations on items with a value less than \$2,500 as this can result in significant savings to the school.

Formal Method:

- Where the value is greater than \$25,000 competitive pricing must be obtained by means of a solicitation of public bids. This process will be done by the Purchasing Department in consultation with the school/department.

Purchase orders up to \$1,000 are to be authorized and released to the vendor(s) at the school/department level. Purchase orders between \$1,000 and \$9,999 are to be reviewed, authorized and released to the vendor(s) by the Purchasing Department. Purchase orders exceeding \$10,000 must be reviewed, authorized and released by the Director of Finance or designate.

Purchasing Card (PCard) orders may be processed by card holders up to the limits on their individual cards. PCard orders exceeding the set limits must be approved by the Director of Finance or designate. Please refer to the "Purchase card Program User Guide" for specific regulations around the use of purchase cards.

Online orders may be processed by authorized staff up to \$1,000, and up to \$2,500 for Administrative Officers. Online orders exceeding the \$1,000 limit must be authorized, and the vendor notified, by the school's Administrative Officer or designated Approver.

It is the responsibility of the Administrative Officer to ensure that good value is obtained. Schools wishing to take advantage of competitive pricing may submit requests to the Purchasing Department for purchases of any value.

- The Administrative Officer or delegate must authorize all requests from schools.

### **Administrative, Educational and Operations Department Purchases**

The following exceptions will apply to the general rules listed above for Administrative, Educational or Operations Departments (Maintenance, Custodial, Transportation, Purchasing, Finance, Human Resources, etc.):

Purchases of a recurring nature throughout the year may be made through Standing/Open Orders to a maximum of \$10,000 **per year** in consultation with the Purchasing Department. Any Standing/Open Order exceeding the \$10,000 limit must be closed, and a new one issued.

**Standing/Open Purchase Order:** A standing/open order is a purchase order which has been issued to a vendor for goods or services of a recurring nature, and against which specified purchases may be made for a specified period of time. When repeated purchases of the same type of supply items or services are expected, multiple purchase orders may be eliminated by submitting one purchase requisition to establish a standing/open order.

Recurring purchases totaling more than \$25,000 must be publicly tendered by the Purchasing Department.

Any department wishing to take advantage of competitive pricing may submit requests to the Purchasing Department for purchases of any value.

### **SPECIALIZED PURCHASES**

#### **Purchase of Specialized or Used Equipment**

In the interest of standardization, economy of scale, and efficiency, supporting departments (i.e. Maintenance, IT) must be consulted on all specialized purchases to ensure value, consistency and operational supportability. Equipment and other purchases made without consultation may not be supported.

<b>Type of Purchase</b>	<b>Approval required from</b>
Appliances	Director Finance or Designate and/or Heating Foreman
Audio Visual, TV's	Director of Finance or Designate and/or Tech Foreman
Building Modifications & Maintenance	Director of Operations and/or Manager of Maintenance
Computer Hardware, Software, Peripherals and Projectors	Director of Instruction/IT Foreman
Land and/or Buildings	Board of Education through Secretary Treasurer
Office and School furniture	Director of Finance or Designate
Photocopiers, printers, faxes	Director of Finance or Designate
Playgrounds, outdoor furniture	Director of Operations and/or Director of Finance or Designate

Purchasing Cards	Director of Finance and/or Manager of Finance
Recycling	Custodial Manager and/or Director of Finance or Designate
Special/Unique	Director of Finance or Designate
Telephone Service and Cell Phones	Director of Finance or Designate
Vehicles	Director of Operations
Waste disposal	Custodial Manager and/or Director of Finance or Designate

### **Electrical and Electronic Equipment**

Appliances, Audio Visual, electrical and electronic equipment should be purchased through the Purchasing Department to ensure that CSA standards, repair and maintenance, energy conservation considerations and District standardization policies are met. (eg. Refrigerators, Stoves, Projectors, TV's, VCR's, DVD's, PA Systems,etc.)

### **Computer Equipment**

Computer equipment must be purchased through the Purchasing Department to ensure that District standardization policies are met. (eg. Laptops, Desktops, Servers, Printers, Peripherals). Requests for upgrade or addition of minor peripherals (ie hard drives, computer memory, USB "thumb" drives, extension cables, headphones, etc.) to existing computer equipment can be placed directly with the District computer technicians department via a work order. District technicians can offer assistance with selection based on personal requirements and compatibility.

### **Software**

All core software (i.e. operating systems, office productivity (MS Office), antivirus, network security, etc) must be requested and/or purchased through the IT Department via a web-work order. All other software must be acquired through the Purchasing Department. The IT Department must be consulted before acquiring any software application to determine suitability and compatibility with existing or future District technology infrastructure.

### **Land and Buildings**

The purchase or acquisition or disposal of land and property requires Board of Education approval through the office of the Secretary Treasurer.

### **Furniture**

Furniture should be purchased through the Purchasing Department in order to ensure that repair and maintenance considerations and the District standardization policies are met.

### **Photocopiers, Printers and Faxes**

Photocopiers, printers, etc., must be purchased through the Purchasing Department in order to ensure that repair and maintenance considerations and the District standardization policies are met.

### **Purchasing Cards**

The District uses purchasing cards as an efficient way to handle a variety of transactions. The Finance Department issues the cards, and there are standard limits for daily, monthly and per item transactions. These can be adjusted to meet the needs of the school or department.

### **Used Equipment**

Where the purchase of used equipment is advantageous, the purchase should be handled through normal purchasing procedures. If the used equipment is subject to repair and maintenance by another department, the equipment must be inspected/examined by that department, to determine whether the maintenance and repair considerations outweigh the value of the purchase.

### **Purchases of Items from outside of Canada**

Due to potential problems with CSA approval, warranties, customs clearance, duty, brokerage and AMPS legislation, all supplies and equipment should be purchased from Canadian suppliers, unless the required item is not available in Canada, in which case the purchase should be made through the Purchasing Department.

### **Supplier Relations:**

In all procurement activities, School District Staff shall meet the legal and ethical requirements for competitive bidding by:

- Keeping competition open and fair in determining whether the supplier's product meets specifications and the educational needs of the District.
- Making suppliers aware of the competitive requirements of the District's purchasing policy, and avoiding the appearance of making a commitment to purchase where competitive pricing is to be obtained.
- In all cases refusing any personal gift or advantage of any kind.
- Refraining from soliciting funds or materials from vendors where there is any possibility of any connection (perceived or real) to a purchase.
- Respecting the confidences of all suppliers whenever possible with the understanding that the School District is subject to the Freedom of Information and Protection of Privacy legislation.
- Representing the School District in a courteous and professional manner.

- Procuring goods and services with due regard for our environment.
- Providing reasonable opportunities for qualified suppliers and contractors to seek the School District's business.

### **Purchases on Behalf of Staff**

Employees may not use the School District letterhead, purchase order or purchasing card to obtain personal goods or services, or to acquire discounts or sales exemptions for personal purchases. In addition, items purchased for the School District are not to be sold to staff except as allowed by the due process specified under the Sale of Obsolete Assets section.

### **Purchases from Staff**

Schools and Departments shall not purchase supplies or services from staff. While in most circumstances supplies or services are offered with the best of intentions, issues of conflict of interest (**or perceptions of conflict of interest**) and issues of supplier access make such purchases inadvisable. The only acceptable exception might be a purchase from a legitimate business (i.e. The School District is only one of many customers, and proper Purchasing procedures have been followed).

### **Contracts**

Schools and support departments should not enter into any verbal and/or written contractual agreement(s) without consulting the Secretary Treasurer or the Director of Finance.

Administrative Officers and Business Managers are not legal signing authorities for the School District, and cannot, therefore, legally bind the School District into any contract.

### **Sale or Disposal of Obsolete or Surplus Assets:**

- Equity in school and other equipment belongs to the School District as a whole. Surplus equipment shall be turned in to the Maintenance, IT or Purchasing departments for reassignment or disposal. However, a School or Department may transfer the old equipment, at a negotiated amount, to another school.
- Surplus items that are no longer useful within the School District but are in saleable condition shall be listed and put out to bid or public auction. The Manager of Maintenance shall manage the sale of such items.
- All items that are beyond a reasonable economic repair or which have no value at sale shall be disposed of as scrap. The Manager of Maintenance shall arrange disposal after exploring all recycling options and using the most environmentally sensitive means available.

- Occasionally, offers may be received on individual items awaiting disposal. Where these items have a realizable sale value of under \$200, the offer may be considered and decided by the Secretary-Treasurer in consultation with the Manager of Maintenance. For items with a value above \$200, the sale shall be by competitive bid or auction.
- Proceeds from the sale of surplus assets shall be applied against the costs of conducting the sale. Any net profit will be applied to the Local Capital Reserve.