

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

**709.2
ADMINISTRATIVE REGULATION
Purchasing**

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.

Schools and Departments should endeavor to obtain 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 made by District personnel using funds held in District accounts are covered by the following procedures.

PURCHASING METHODS

Purchases of goods and/or services can be processed by using one of the following methods:

1) **Purchase Order**

The purchase order is a written commitment to a vendor contracting for the supply of supplies, services or equipment. It is authorized by the site supervisor and then created through the District's accounting program.

- Purchase orders over \$1,000 will be reviewed, authorized and released to the vendor(s) by the Finance Department.
- Purchase orders exceeding \$10,000 must be reviewed, authorized and released by the Assistant ST or designate.

2) **Purchasing Card (PCard)**

Purchase Cards are an efficient way to handle a variety of transactions and are to be used in line with the limits on the cardholder's individual cards.

- The PCard may only be used by the person named on the front of the card.
- The maximum amount per transaction is \$5,000.

Cross Refs: NWPTA (New West Partnership Trade Agreement)

Adopted: May 23, 1979

Reviewed:

Revised: May, 2012, January 9, 2013, February 26, 2019

- Purchases exceeding the set limits must be approved by the Assistant ST or designate.
- The Finance Department may make a recommendation to use a PCard instead of issuing a PO when that is determined to be the most appropriate approach.
- Cardholders should refer to the Program User Guide for specific regulations around the use of purchase cards.
- Cardholders must submit a monthly PCard statement, including receipts for individual purchases, to their supervisor (or designate) for approval.

3) **Reimbursement of Purchases made with Personal Funds**

This option is designed for employees that do not have access to a district PCard. Any one purchase should not exceed \$1,000.

4) **Petty Cash**

These funds are to be used primarily to purchase low value miscellaneous consumable supplies of an emergent nature. The petty cash system should not be used to circumvent the established purchasing procedures.

5) **Approved Vendor Accounts**

Schools or departments can request to have vendor purchases put on account whereby the school district will be invoiced monthly by the vendor for purchases made throughout the month. Vendor accounts are approved and maintained at the discretion of Finance and the vendor. All purchases must be approved by the department manager or school administrator. Invoices must be approved and forwarded to Finance in a timely manner.

6) **Contracts or Service Agreements**

A Contract or Service Agreement is used to purchase goods or services to be supplied over a period of time at a fixed or negotiated price (i.e. equipment leases, garbage disposal/recycling, etc.) or for the ongoing maintenance of certain types of equipment (i.e. photocopiers, specialized equipment, etc.).

A Service Agreement may also be used when a contractor is needed to provide a service at a district site (i.e. cafeteria services, academy coaches or other individuals working directly with students under the supervision of a teacher).

- A [District Service Agreement](#) is used for high risk contracts (of any value) or for contracts over \$1,000 in value.
- Schools and support departments should not enter into any verbal and/or written contractual agreement(s) without consulting the Secretary Treasurer or the Assistant ST.
- Administrative Officers and Managers are not legal signing authorities for the School District and therefore, cannot legally bind the School District into any contract.

7) **Tendering Process**

Request for Proposals (RFP), Request for Tenders (RFT) and Request for Quotations (RFQ) are formal competitive bidding documents and processes used for larger dollar value purchases where it is considered to be in the District's interest to incur the additional time and cost involved to:

- Access value added offers from qualified vendors.
- Support fair and open bidding competition.
- Utilize quantitative, qualitative and objective analysis for vendor selection and award.

When tendering services, the subsequent contract should be for a fixed term (e.g. 5 years) to ensure that the service remains competitive. Existing contracts should be reviewed to determine if tendering is required. Tender notices are published through BCBid at www.bcbid.gov.bc.ca

PURCHASING GUIDELINES

Specialized Purchases

All purchases (regardless of value) are subject to limitations as outlined in the Specialized Purchases Section (Appendix A). Approval is also required by the site supervisor or manager.

Dollar Value Limits on Purchases of Goods and Services

Estimated Lifetime Value (*) of the Purchase	Minimum Action to be Taken	Purchasing Method
Up to \$25,000	At discretion of the site supervisor or designate (Schools are encouraged to get multiple quotations on items with a value over \$5,000 as this can result in significant savings to the school.)	PCard (up to \$5,000) Purchase Order, Contract or Service Agreement, Vendor Account
Between \$25,000 and \$75,000	Three (3) written quotations from vendors.	Purchase Order, Contract or Service Agreement
Over \$75,000	Tender Process through BC Bid	Contract or Service Agreement

*** Lifetime Value**

Purchases are based on the lifetime value of the purchase. This is the total cost of performing the intended function over the lifetime of the task. For example, a \$5,000 annual contract over 5 years = \$25,000 total lifetime value.

Dollar Value Limits on Construction

Less than \$100,000	At discretion of the Director of Facilities & Transportation.
\$100,000 to \$200,000	Minimum of three (3) written quotes from vendors.
Over \$200,000	Tender Process is followed using BC Bid that provides open access to all interested vendors.

Exceptions

Exceptions to the **three (3) written quotations** are only permitted when time constraints will not allow time for the competitive bid process in instances such as;

- When supplies, services and equipment are urgently required for the delivery of education;
- To avoid significant financial loss through damage to facilities and equipment, or;
- Where safety or operational needs require urgent attention.

With respect to these exceptions, the Assistant Secretary Treasurer, Director of Facilities & Transportation, with the approval of the Secretary Treasurer, may obtain direct quotations from suppliers and award the contract.

New West Partnership Trade Agreement (NWPTA)

Under this agreement construction is defined as: A construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure or other civil engineering or architectural work, but does not include professional consulting services related to the construction contract unless they are included in the procurement. The foregoing are stated as minimum actions to be taken and do not prohibit more extensive price acquisition activity.

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 branding, 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).

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, or IT 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 Director of Facilities 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 Facilities

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 Director of Facilities. 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.

APPENDIX A

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.

Type of Purchase	Approval required from
Appliances	Director of Facilities or Heating Foreman
Audio Visual, TV's	Manager of Technology or IT Foreman
Building Modifications & Maintenance	Director of Facilities or Manager of Facilities
Computer Hardware, Software, Peripherals and Projectors	Manager of Technology or IT Foreman
Land and/or Buildings	Board of Education through Secretary Treasurer
Office and School furniture	Director of Facilities or Manager of Facilities
Photocopiers and printers	Director of Instruction or Manager of Technology
Playgrounds, outdoor furniture	Director of Facilities or Manager of Facilities
Purchasing Cards	Assistant ST or Manager of Finance
Recycling	Manager of Facilities
Special/Unique	Discuss with Assistant ST
Telephone Service and Cell Phones	Manager of Technology
Vehicles	Director of Facilities
Waste disposal	Manager of Facilities

Electrical and Electronic Equipment

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

Computers and Accessories

Schools may buy items off of the IT price list (on SharePoint) directly from the vendors listed. Special orders must be approved by IT. Replacement of computers covered under the Computer Evergreen Program must be done in consultation with IT.

Apple Products

Schools may buy iPads off of the IT price list direct from Apple (not purchase card). All purchases of Apple computers must be approved by IT.

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 may be acquired directly by a school/department. The IT Department must be consulted before acquiring any software application to determine suitability and compatibility with existing or future District technology infrastructure.

Mobile/Cloud Based Apps

Schools may purchase single mobile apps. Schools may also request access to purchase apps in volume. Cloud based apps must have a Privacy Impact Assessment on file.

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 Facilities Department in order to ensure that repair and maintenance considerations and the District standardization policies are met. Small items that aren't part of the standard office or classroom can be purchased directly by the school/department.

Photocopiers and Printers

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

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 request should be reviewed by the Finance Department before proceeding.