



ADMINISTRATIVE PROCEDURE 516

PURCHASING

Background

The purchasing function must be administered prudently and with appropriate procedures ensuring that the highest possible value is received for funds expended and must comply with any federal or provincial trade agreements. Further, while the Division believes that purchase decisions are to be made at a level as close as possible to program implementation, it recognizes that in some cases centralized purchasing is more appropriate.

Procedures

1. The Division will adhere to legislative requirements for competitive buying practices as outlined in:
 - 1.1 The Annex 502.4 of the Agreement On Internal Trade signed by the provinces, territories and the federal government in February 1998.
 - 1.1.1 Goods and services purchases over \$100,000 and construction over \$250,000 shall be posted on the National Electronic Tendering Service in compliance with Annex 502.4 of the Agreement On Internal Trade.
 - 1.2 The British Columbia – Alberta Trade, Investment, and Labour Mobility Agreement signed by the provinces of Alberta and British Columbia in April 2006.
 - 1.2.1 Goods and services purchases over \$75,000 and construction over \$200,000 shall be posted on the National Electronic Tendering Service in compliance with The British Columbia – Alberta Trade, Investment, and Labour Mobility Agreement.
2. The Division will purchase goods and services required through competitive buying practices whenever feasible and practical.
 - 2.1 The employee responsible shall purchase goods and services through competitive buying practices as deemed appropriate.
 - 2.2 A minimum of 3 Quotations must be obtained for purchases between five thousand dollars (\$5,000) and seventy-five thousand dollars (\$75,000) unless exempted by the Assistant Superintendent – Business Services.
 - 2.3 In those cases where the tender or quotation process is utilized:

- 2.3.1 Consideration will be given to prices, quality, and the vendor's reputation, experience and previous record of performance and service.
- 2.3.2 Tender documents will include:
 - 2.3.2.1 Specifications for the goods or services to be purchased;
 - 2.3.2.2 Template contracts where appropriate;
 - 2.3.2.3 Evaluative tool, which will determine the successful bidder;
 - 2.3.2.4 Deadline for tender submissions;
 - 2.3.2.5 Person to which tender documents, and queries are to be directed;
 - 2.3.2.5 Person to which tender documents may be obtained;
 - 2.3.2.6 Time and location of tender openings.
- 2.3.3 Tenders will be explicit and, if a vendor proposes an alternative that is acceptable to the Division, then the tender will be re-advertised.
- 2.3.4 Tender documents, prior to advertising, are to be approved by the Assistant Superintendent – Business Services.
- 2.4 All goods purchased by the Division are to be purchased through the use of a procedure authorized by the Director of a Department and the Assistant Superintendent - Business Services. The procedures used shall provide for accurate record keeping and accounting and shall comply with sound business practices.
- 2.5 The Division's purchasing processes, forms and services shall be used only for authorized Division business.
- 2.6 When utilizing a National Electronic Tendering Service, the full tender documents, prepared in accordance with appropriate protocol and careful business practice, shall be posted. This practice will avoid the needless copying and forwarding of hardcopy documents.
- 2.7 Postings to a National Electronic Tendering Service are to be coordinated through the Assistant Superintendent – Business Services.
- 2.8 Where no competitive supply market exists, or it is considered in the best interest of the Division, purchasing practices shall employ such value analysis and negotiation methods considered appropriate for obtaining acceptable materials at the best possible price.
 - 2.8.1 Approval from the Assistant Superintendent – Business Services is to be obtained before engaging in price negotiations.

- 2.9 The Assistant Superintendent - Business Services shall review arrangements with preferred or sole-provision vendors (including but not limited to banking, equipment maintenance, etc.) from time to time in order to assess changes that may be required, quality of service, and other relevant factors.
3. Term or Multiple Purchase Relationships
 - 3.1 The purchase of materials and supplies may be more beneficial to the Division through the establishment of a term or multiple purchase agreement.
 - 3.2 A term or Multiple Purchase Agreement must:
 - 3.2.1 Adhere to the competitive purchasing practices outlined in 2 when being established;
 - 3.2.2 Be of a benefit to the entire Division;
 - 3.2.3 Be of a term not longer than 5 years, including any period of extension; and
 - 3.2.4 Be approved by the Assistant Superintendent – Business Services.
 - 3.3 A Term or Multiple Purchase Agreement may be held by an organization or group which the Division is a member of. For the Division to utilize these agreements, the practices of the organization must be competitive in nature.
4. Delegation of Purchasing Authority
 - 4.1 Purchasing authority is delegated to: the Principal of each school relative to the school budget; to the Assistant or Deputy Superintendent(s), Director(s), Managers or Supervisor(s) relative to the department budgets.
 - 4.2 Schools and Departments shall develop internal procedures for the requisition of purchases by employees, which may include purchase orders or the use of credit cards. When an employee submits a requisition, it is the responsibility of the Assistant or Deputy Superintendent(s), Director(s), Managers, Principals or Supervisor(s) to ensure that the item being ordered is in fact required and that there are funds available for the purchase.
 - 4.3 Purchase Orders authorized by the Assistant or Deputy Superintendent, Director, Manager, Principal or Supervisor shall be used for all purchases on a vendor account, where the product is not immediately obtained by the authorized employee.
 - 4.4 Upon receipt of an order and invoice, the School or Department is responsible for ensuring that the invoice is correct by checking the items received against the Purchase Order and against the invoice and verifying the total of the invoice.
 - 4.5 The Assistant or Deputy Superintendent, Principal, Director, Manager or Supervisor is the only person authorized to sign an invoice for payment. Upon the Principal's or Director's authorization, the particulars of an invoice shall be

recorded on the file copy of the purchase order. The invoice shall then be forwarded to the Education Services Centre for payment.

5. Petty Cash Funds

- 5.1 Petty Cash funds may be used for small local purchases where the aggregate cost for each item purchased is less than One Hundred Dollars (\$100).
- 5.2 Schools and Departments may, by purchase order, establish Petty Cash accounts to accommodate small incidental purchases or payment of minor expenses.
- 5.3 Petty Cash accounts are replenished by issuing a purchase order to the Education Services Centre, accompanied by the receipts for disbursements.
- 5.4 Petty Cash funds are to be recorded as a separate fund, within the school or departments accounting program.
- 5.5 School Generated Funds are not to be used for petty cash purchases.

6. Purchases with Division issued credit cards.

- 6.1 Purchasers must adhere to the school or department's internal procedures for the requisition of goods and services by employees.
- 6.2 Purchasers must adhere to The Grande Yellowhead Public School Division Purchasing Card Guidelines (Appendix 516-02)
- 6.3 Division issued credit cards are to be used for division business only; in the event that a personal purchase is made, the employee must reimburse the division at the time of submission of receipts.
- 6.4 Principal(s), Director(s), Manager(s) or Supervisor(s) may approve division issued credit card limits up to \$5,000 per month for subordinate employees. Credit cards to be issued with limits greater than \$5,000 require the approval of the Assistant Superintendent - Business Services.

7. Conflict of Interest and Pecuniary Interests

- 7.1 All purchases must adhere to Administrative Procedure 408 – Conflict of Interest – Employees. Therefore, no purchases can be made by an employee who has a pecuniary interest in the transaction.

Reference: Section 60, 61, 80, 113, 121 School Act
Freedom of Information and Protection of Privacy Act
Agreement on Internal Trade; Annex 502.4
Trade, Investment and Labour Mobility Agreement
Administrative Procedure 408 – Conflict of Interest - Employees

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