

PROCUREMENT & PURCHASING

(Goods, Service, Equipment, Construction)

Background

The Board, through the Secretary-Treasurer, believes that sound and professional business procedures and practices should apply to public service procurement to achieve the maximum of economy and efficiency in satisfying the educational and operational needs of the District for goods, services, equipment, and construction.

The Board recognizes that centralized purchasing or securing of goods, services and equipment regularly provides an opportunity for competition in the procurement process which usually achieves the most favorable prices and best overall value for the District, while providing a fair and ethical opportunity for suppliers to bid on District requirements.

The Board believes the District should participate with other public agencies in cooperative purchasing ventures, where appropriate including initiatives sponsored by the Ministry of Education and Child Care under the Shared Services or Service Delivery title.

To fulfill the principles of clauses 1-3 above, the Purchasing Services Department has established Purchasing Principles and Contracting and Procurement Processes for the provision of goods, services, equipment and construction needs to the District.

1. Principles of Procurement and Purchasing

- 1.1. The Purchasing Services Department ensures that purchases are made only for the use of the school district. School district purchases are not intended for personal use or re- sale.
- 1.2. All Board personnel who participate in the procurement process will act in an ethical manner. *Administrative Procedure 466 –Standards of Conduct* and the Supply Chain of Canada's Code of Purchasing Ethics will apply to all personnel involved in the procurement process.
- 1.3. All Board personnel who participate in the procurement process will follow best practices throughout the process by maintaining a uniform set of documents, clearly defined specifications/standards, terms and conditions, and an impartial procedure to be used in the solicitation and evaluation of bids.
- 1.4. Formal, competitive contracting processes for procurement will be conducted in accordance with guidelines that have been established with the New West Partnership Trade Agreement (NWPTA) and the Trade and Labour, Mobility Agreement (TILMA) for District requirements exceeding \$75,000 for goods/services/equipment, and \$200,000 for construction undertakings. The Purchasing Services Department will publicly advertise the formal opportunities through the provincial website www.bcbid.gov.bc.ca.

2. Contracting Processes for Goods, Services and Equipment

The Purchasing Services Department uses a variety of procurement methods. Below is a brief description of some of the more common methods.

2.1. Board Contracts

- 2.1.1. The Board may specifically approve major construction contracts and the appointment of professional advisors including architects, auditors, and lawyers. The applicable departments coordinate the use of these services.

2.2. Consumption-Driven Contract Services

- 2.2.1. Certain services are contracted district-wide then utilized and charged to sites based upon consumption such as Cell Phone Services.

2.3. Purchasing Cards

- 2.3.1. Purchases for goods and services up to \$3,000 per transaction may be made by schools, sites, and departments directly. Purchasing cards are issued by the Purchasing Services Department directly to cardholders. The cardholder is responsible for the security, record retention and use of the card. Refer to *Administrative Procedure 529 - Purchasing Card (P-Card)*.

2.4. Requests for Information (RFI), Requests for Expression of Interest (RFEI), Request for Prequalification (RFPQ), Request for Proposals (RFP)

- 2.4.1. An RFI, RFPQ, and RFEI are informational processes and do not result in a contract award. An RFP is an award process, and the award of a contract is determined by the overall value of the contract to the District, usually based on a combination of contract price, service requirements, value for District members, and other criteria as appropriate.

2.5. Invitation to Tender (ITT) and Request for Quotation (RFQ)

- 2.5.1. These procurement processes may be used by the Purchasing Services Department to solicit Bids. An ITT is a process primarily used for the procurement of construction related services. The award of contract is determined by the overall value of the contract to the District, usually based on the lowest-priced bid that meets the District's specifications, and any other criteria as appropriate. An RFQ process may be used to solicit bids for goods, services and equipment and the award of a contract is determined usually based on the lowest-priced bid that meets the District's specifications.

2.6. Standing Offer Agreements (SOA)

- 2.6.1. These are issued by the Purchasing Services Department to be used for the acquisition of standard school supplies and equipment i.e.: Stationary Supplies, Art Supplies, P.E. Supplies, Janitorial Supplies.

- 2.6.1.1. Expenditure authorizers can place orders with suppliers with whom the District has a Standing Offer Agreement up to their authorized signatory level per *Administrative Procedure 515 - Signing Officer and Expenditure Authorization Signatory Level*.
- 2.6.1.2. To place an order, complete, sign, and submit a Purchase Requisition Form to the Purchasing Services Department. The Purchase Requisition form can be found on the Purchasing Services Department SharePoint page.
- 2.6.1.3. The signing authority is responsible to ensure that the purchase requisition contains enough information so that the appropriate goods, services, or equipment are being ordered; and the expenditure is within budget capacity; and the general ledger account coding is accurate.
- 2.6.1.4. Requests for goods, services, or equipment that are not available through a District Standing Offer Agreement, or by service and systems contracts already in place, shall follow the applicable process and contractual levels per Section 6, Table 1.

2.7. Sole Source or Single Source

- 2.7.1. Where a single source is being considered, a sole source rationale must be provided with the purchase requisition form and shall be submitted by the Department to the Manager of Purchasing for consideration with the exception of Capital construction.
 - 2.7.1.1. The Secretary Treasurer or designate will be the sole judge of whether the rationale is valid and sound and can be supported by the Department.
- 2.7.2. Sole Source or Single Source rationale may not be required under the following circumstances:
 - 2.7.2.1. There is an urgent need and delay would be injurious to the public interest.
 - 2.7.2.2. The nature of the work or the estimated cost of the requirement is such that it would not be in the public interest to invite competitive bids, quotations, or proposals.
 - 2.7.2.3. A substantive investment has already been made and would have to be duplicated by another supplier entering the field.
 - 2.7.2.4. Competition is precluded because of the existence of patent rights, copyrights, intellectual property, or trade secrets.
 - 2.7.2.5. The requested acquisition requires compatibility with existing equipment, logistics, or may void any warranties or guarantees.
 - 2.7.2.6. Source of supply are determined by federal, provincial or other regulatory bodies, or another public agency or cooperative purchasing venture.

2.8. Unique or one-time vendor purchases

2.8.1. In situations where a unique purchasing arrangement is required, the District representative shall contact the Manager of Purchasing in advance of this purchase to discuss the opportunity and to allow the Purchasing Department to perform a timely due diligence review of the proposed purchase..

2.8.2. The Purchasing Department will work with representatives of the School District to facilitate purchasing of goods and services from vendors that have no existing contract with the District. These representatives are required to describe and define the goods, services and equipment required in the form of written 'specifications' which must be provided to the Purchasing Services Department

2.8.2.1. Specifications should describe the physical, functional and performance characteristics of the goods, services or equipment desired by the District to meet requirements. The Purchasing Services Department will ultimately decide the contracting process based on the desired outcomes, market conditions, contractual dollar value of the anticipated purchase, timelines, contract conditions and other considerations.

3. The Procurement Process and Signing Authority for Expenditures

3.1. The District has established signing authority for District personnel to initiate expenditure requests for the District. The authority for individual purchases can be found in *Administrative Procedure 515 Signing Officer and Expenditure Authorization Signatory Level*.

3.2. Requests for goods, services or equipment handled by a Standing Offer Agreement may be placed by the expenditure authorizer up to their authorized signatory level.

3.3. Requests for goods, services or equipment not handled by a Standing Offer Agreement shall follow the applicable process and contractual levels per Section 6, Table 1.

3.4. The signing authority is responsible for ensuring that the purchase requisition is within available budget capacity.

4. Disposal of Equipment

4.1. The equipment shall not be sold to private parties or employees of the Board. Assets identified for disposal will be held until such time they are disposed of or sold as surplus. Declaration and sale of surplus assets shall be in accordance with *Administrative Procedure 518 – Disposal of Used Equipment*.

5. Construction process for Major Construction Project

- 5.1 The process follows the guidelines established or recommended by the Ministry of Education and Child Care, and the Tendering procedures shall adhere to the procedures and guidelines recommended in the publication "Public Construction Council of British Columbia – Procedures and Guidelines Recommended for Use on Publicly Funded Construction Projects", dated 2017.

6. Procurement Process and Contractual Levels

- 6.1. Purchase of Goods, Service and Equipment shall be procured using the applicable process and contractual levels per Table 1. The procurement of Construction services shall follow the applicable process and contractual levels per Table 2.
- 6.2. Any exceptions to the contractual levels must be authorized by the Manager of Purchasing Services, Assistant Director of Procurement and Contract Administration, Assistant Secretary-Treasurer or Secretary-Treasurer.
- 6.3. Where there is a choice of competitive arrangements, exceptions, or special conditions, the Manager of Purchasing will determine the procurement process in consultation with the budget signing officer considering qualitative requirements.
- 6.4. All Purchases over \$75,000 must be adequately planned so as to allow the appropriate competitive process to be completed.
- 6.5. Splitting of requisitions, contracts or contract extensions shall not be allowed as a means to circumvent the procurement process and contractual levels outlined in Tables 1 and 2.
- 6.6. All purchase orders bear the signature of the Manager of Purchasing Services, or such other staff member as may be designated by the Secretary-Treasurer. Purchase orders are, in effect, district contracts which list the terms and conditions of the purchase.
- 6.7. Purchase order and Contract Signing Authority level differs from the Signing Officer and Expenditure Authorization levels as outlined on AP 515.
 - Signing Officer and Expenditure Authorization levels are the positions that can initiate purchase requests and approve invoices up to their approved limit.
 - Contract Signing Authority levels are the positions that can sign a Purchase Order, Contract or Service Agreement on behalf of the District up to their approved limit

Table 1 should only be utilized to procure goods, services and equipment that are not readily available through existing standing offer agreements.

Table 1 - Goods, Services and Equipment Procurement Process					
Amount per item or aggregate, full contract term	# of Quotes	Method of quote	Method of purchase	Procurement process conducted by	Authorization level required for Purchase Order, Contract or Service Agreement
< \$3,000	1	email, telephone, supplier website, or in store purchase	P-Card or supplier invoice	Budget Expenditure Authority or P-Cardholder	As delegated per AP 515 (Expenditure Authorization Signatory) or must be within P-Card transaction limit and follow rules and restrictions per AP529 (Purchasing Card)
< \$15,000 Facilities and Information Services Departments only					
P-Card purchases between \$3,000 to \$10,000	2	email, and/or supplier website	P-Card		
\$3,000 to \$50,000	2	email, and/or supplier website	purchase order, and/or service agreement with terms and conditions	Budget Expenditure Authority with assistance from Purchasing Services Department	Manager of Purchasing Services or Assistant Director of Procurement or Authorized member of DLT
\$50,001 to \$75,000	3	email, request for quote, direct invite, or public competition	purchase order, and/or service agreement with terms and conditions	Purchasing Services Department	up to \$175,000 Manager of Purchasing Services Assistant Director of Procurement
>\$75,000	Formal process	Formal solicitation through open public competition as per Trade Agreement guidelines	purchase order, and/or service agreement with terms and conditions		up to \$300,000 Assistant Secretary-Treasurer Executive Director of Facilities and Planning up to \$1,000,000 Secretary Treasurer up to \$7,500,000 Secretary Treasurer in consultation with Superintendent over \$7,500,000 Secretary Treasurer with Board Approval Information to the Board for tender of interest
Changes to the Contract		Revise Contract by issuing: Change Order or Change Directive or Amended Purchase Order or Amended Service Agreement or Contract			lesser of 5% or \$5,000 Appropriate Budget Signing Authority Up to \$175 000 Manager of Purchasing Services Assistant Director of Procurement Up to \$300,000 Assistant Secretary-Treasurer Executive Director of Facilities and Planning up to \$1,000,000 Secretary Treasurer

Table 2 - Construction Procurement Process

Amount per item or aggregate, full contract term	# of Quotes	Method of quote	Method of purchase	Procurement process conducted by	Authorization level required for Purchase Order, Contract or Service Agreement	
< \$75,000	3	email, request for quote, direct invite, or public competition	purchase order and/or service agreement with terms and conditions	Facilities Department or Purchasing Services Department	Manager of Purchasing Services or Assistant Director of Procurement or Assistant Director of Maintenance Operations, or Assistant Director of Capital Projects and Planning	
\$75,001 to \$200,000	3	short form, or direct invitation, or public competition	purchase order and/or service agreement with terms and conditions	Process initiated by Facilities Department and conducted by Purchasing Services Department	up to \$175,000	Manager of Purchasing Services Assistant Director of Procurement
					up to \$300,000	Assistant Secretary-Treasurer Executive Director of Facilities and Planning
					up to \$1,000,000	Secretary Treasurer
					up to \$7,500,000	Secretary Treasurer with consultation with Superintendent
> \$200,000	N/A	Formal solicitation through open public competition as per Trade Agreement guidelines	purchase order and/or service agreement with terms and conditions	Process initiated by Facilities Department and conducted by Purchasing Services Department	up to \$175,000	Manager of Purchasing Services Assistant Director of Procurement
					up to \$300,000	Assistant Secretary-Treasurer Executive Director of Facilities and Planning
					up to \$1,000,000	Secretary Treasurer
					up to \$7,500,000	Secretary Treasurer in consultation with Superintendent
Changes to the Contract	N/A	Revise contract by issuing: Change Order or Change Directive or Amended Purchase Order or Amended Service Agreement or Contract		Appropriate Budget Signing Authority can approve changes to the contract up to 15% increase from original contract price or up to their signing authority, which ever is less.	up to 15% of original contract	Appropriate Budget Signing Authority
					Up to \$175 000	Manager of Purchasing Services Assistant Director of Procurement Assistant Director of Maintenance Operations Assistant Director of Capital Projects and Planning
					Up to \$300,000	Executive Director of Facilities and Planning
					Up to \$1,000,000	Secretary Treasurer

* Construction means 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 (source: New West Partnership Trade Agreement)

Last revised: November 2023

AP515 – Signing Officer and Expenditure Authorization Levels,

AP529 – Purchasing Card (P-Card)