

REGULATION 3323

PURCHASING SERVICES

Adopted: April 1970

Revised: 1. March 1982, 2. July 1984, 3. January 2000, 4. November 2016, 5. March 2019, 6. September 2019

Frequency of Review: Annual

A. General

1. Purchasing Services shall be responsible for the procurement of goods and services for the School District. While Purchasing Services is the only group who may legally enter into a contract with suppliers for goods or services, they may on a discretionary basis delegate this authority under specific circumstances.
2. Purchasing Services may delegate authority to purchase certain goods or services to other departments and/or schools. Nonetheless, purchasing must be conducted following established procurement procedures. Failure to follow procedures may negate the School District's responsibility to pay for the goods or services.
3. Purchasing shall be centralized to establish controls over public funds and to effect the procurement of goods and services at the best possible value. Control shall be attained through standardization of procedures with regard to ordering, recordkeeping, receipt of goods, quality control, prompt payment of invoices, and supplier relations. Optimizing dollar investment shall be attained through systems contracting, competitive bids, aggregation of demand, participation in cooperative purchasing groups, utilizing Corporate Supply Agreements (CSAs), and discretionary delegation of purchasing authority.
4. To carry out their responsibility in a cost-effective and timely manner, Purchasing Services shall use several different procurement methods to minimize the total cost of goods and services. Purchasing Services will use the Provincial Shared Services BC procurement contracts where applicable. All employees must follow the Board's purchasing procedures to ensure expedient handling of purchase requests.

5. Purchasing Services has full authority to question the quality and kind of material, goods and services requested, in order to serve the best interest of the School District.

B. Supplier Relations

1. Requests for prices or for services, and all purchases, except in those cases where authority to purchase goods or services has been delegated, must be made through Purchasing Services.
2. Only Purchasing Services or its designate shall make commitments to suppliers, disclose product preference or price, or conduct negotiations.
3. All communication with suppliers shall be conducted through Purchasing Services, except in those cases where Purchasing has delegated this authority because of the technical nature of the correspondence. In these instances, Purchasing Services shall be copied on the communication.

C. Procurement Methods

1. Purchasing Services may use a variety of procurement methods to ensure the best value to the District. These may include: requests for quotation, requests for tender, requests for proposal, requests for qualifications, requests for information, and requests for expressions of interest.
2. Procurement opportunities may be advertised through an electronic notice board, such as the provincial government's BC BID website.
3. Sealed solicitations received by Purchasing Services up to the deadline specified in the request shall be opened by an opening committee, comprised of two members of the Purchasing Services department. Where applicable, the opening will be conducted in public.
4. Sealed solicitations received by Purchasing Services after the specific deadline shall be rejected and returned unopened to the bidder/proponent.

D. Procurement Thresholds

Purchasing Services shall solicit prices from suppliers for goods or services in the following manner:

1. An item or group of items estimated to cost under \$10,000 - at the discretion of Purchasing Services - by obtaining two written quotations.
2. An item or group of items estimated to cost between \$10,000 and \$50,000 - by obtaining three written quotations.
3. An item or group of items estimated to cost more than \$50,000 - by sealed tender or Request for Proposal.

Exceptions to quotations and sealed bid requirements:

- Only one bidder is capable of providing the goods or services
- The goods or services require compatibility with existing goods or services, or may void any warranties or guarantees
- Pricing has been established by another public agency or cooperative purchasing group
- Staff, student, or public safety is in question
- There is an urgent need for the purchase to prevent damage to School District facilities
- Essential services or essential physical plant services will be restored

In these circumstances, with the approval of the Secretary-Treasurer, direct quotations may be obtained and contracts awarded.

E. Standing Purchase Orders

When materials or services are purchased on a repetitive basis, but the need for the goods or services cannot be predicted, Purchasing Services may issue a Standing Purchase Order to a supplier after consulting with the departments and/or schools concerned.

1. Standing Purchase Order requests shall be submitted to Purchasing Services.

2. After selecting a supplier, a Standing Purchase Order will be issued stating an estimated dollar value, the specific goods or services covered, and the expiration of the term.
3. Standing Purchase Orders cannot be used to purchase equipment that exceeds the value of \$1,000 per unit cost.

F. Emergency or Rush Orders

Occasionally, there is an urgent need for goods or services that cannot be handled by other order processes. When a purchase order must be issued immediately, the end user department/school may call Purchasing Services and make arrangements to have the purchase requisition faxed or hand delivered in a manner that will expedite the purchasing process.

G. Corporate Purchasing Cards

1. The Corporate Purchasing Card is used for the procurement and payment of goods and services within delegated purchasing authorization limits, where it is efficient, economical and operationally feasible to do so. The Purchasing Card is strictly for School District No. 61 (Greater Victoria) business purposes.
2. With the written approval from an employee's Principal or Supervisor, an employee may make application to the District Purchasing Card Administrator for a Purchasing Card.
3. Specific instructions for the use of purchasing cards are distributed to each new cardholder and cardholders must sign a cardholder agreement binding them to follow appropriate procedures.
4. Principals/Supervisors review and approve cardholders' monthly transactions and ensure that receipts for each transaction reconcile to the purchases made on the Purchasing Card.
5. The District Purchasing Card Administrator reviews daily transactions for appropriate usage.
6. Purchasing Cards are surrendered to the District Purchasing Card Administrator upon retirement or termination of employment.

H. Purchase Requisitions

Requests for goods or services not covered by a Standing Purchase Order or the discretionary delegated purchasing authority are to be submitted to Purchasing Services, either as an electronic purchase requisition through the Purchase Order Management (POM) module of the District's financial system or as a hard copy purchase requisition. Appropriate signing authorization and a valid school/department account number must accompany all purchase requests.

I. Service Levels

Purchasing Services shall issue a Purchase Order to a supplier within four (4) working days from the date of receipt of a properly completed Purchase Requisition, where the cost of the goods or service do not require Purchasing to initiate a tender or other solicitation method and the goods or services are clearly defined.

When the procurement of goods or services requires written competitive responses, Purchasing Services shall establish a time schedule with the requisitioner, consistent with the complexity of the request.

J. Surplus Disposal

All assets are owned by the School District and are under the care, custody and control of a particular school or department. Purchasing Services is responsible for the disposal of surplus assets. Any proceeds realized by the sale of items through public auction will be transferred to the school or department.

Where equipment or materials are considered surplus to the needs of the School District and are expected to have resale value, Purchasing Services may direct these items to be dealt with in any one of the following ways:

- Following an assessment of condition by Facilities Services, the items may be kept and stored for possible use or transfer within the School District. Schools and departments may contact Facilities Services for a list of available items held in storage.
- Used as a trade-in to reduce the purchase cost of new replacement items
- Offered for sale through a public auction, such as the Province of BC Asset Investment Recovery Service

Where equipment or materials are considered surplus to the needs of the School District and do not have resale value, Purchasing Services may direct these items to be dealt with in any one of the following ways:

- Donated to a suitable organization, such as the ReStore or the Compassionate Resource Warehouse
- Salvaged for parts
- Scrapped/recycled in the most environmentally sensitive manner

Furniture, equipment, vehicles or materials will not be sold to School District employees unless they are the successful bidder in a public auction process.

K. Freedom of Information and Protection of Privacy Act

Purchasing Services will release tender/proposal information in accordance with the Freedom of Information and Protection of Privacy Act.

L. Standardization

Equipment and supplies will be standardized to ensure maximum value is attained where practical and beneficial.

Consideration will be given to potential savings, ease of maintenance, continuity of supply, training costs, environmental impact, and overall life cycle value.

M. Conflict of Interest

No employee of the School District shall engage in or have a financial interest, directly or indirectly, in any activity that conflicts or raises a reasonable question of conflict with their duties and responsibilities.

It shall be a conflict of interest when an employee knowingly participates directly or indirectly in the procurement of goods or services when:

1. An employee or member of the employee's immediate family, business associate, or close friend has a financial interest in the purchase;
2. An employee uses the influence of position or demands or accepts favours or services from any individual, organization or corporation that would result in a financial benefit to the employee or member of the employee's immediate family, business associate, or close friend.

Employees must make full disclosure to the Secretary-Treasurer of any situations that place them in a position where a conflict of interest may exist between their duties to the District and their personal interests.

Employees shall not provide product endorsements without the approval of the Secretary-Treasurer.

Reasonable hospitality is an acceptable courtesy of a business relationship where the frequency and nature of gifts or hospitality accepted is not deemed to have an influence on business decisions. Gifts (other than items of small intrinsic value), gratuities and entertainment accepted from an individual, organization or corporation seeking to do business with the District shall be deemed a conflict of interest.