



Administrative Procedures

AP-710	Date of implementation: February 10, 2014
	Date of update: February 25, 2021
PURCHASING	Related Administrative Procedures:
	AP-705 Payments AP-712 Purchase Cards

Purpose: To guide the purchase of materials, supplies and equipment or services for the Division in accordance with *The Education Act, 1995*, and be consistent with the following basic principles:

- Minimum Expenditure – purchase of quality goods and services at the least total expense to the Division.
- Open Competition – goods and services to be purchased through open competition wherever possible.

Definitions:

The following definitions are cited to ensure consistent interpretation of terms used in this administrative procedure.

Budget Manager	The specific positions within Prairie Spirit School Division that have been given authority to make expenditures from specific budgets. In schools, the principal is always the budget manager. A budget manager may delegate their authority but cannot delegate their accountability.
Goods	Products that consist of tangible, durable or consumable items.
Services	Outputs that consist of tasks performed by individuals.
Tender	A process where bids are received through a formal competition open to all interested parties. Notice of any tender is advertised locally and interprovincially where required by the <i>New West Partnership Trade Agreement (NWPTA)</i> . The tender opening is made publicly at a time and place specified in the tender document.
Written Quotation	A process where bids are received by request from qualified vendors or contractors. Such quotations are received only up to a specified time and date, are not advertised and are not opened publicly.
Verbal Quotation	A more informal process of securing price quotations from selected vendors with no specified closing time and date.
Request for Proposals	A request to suppliers to submit proposals for goods and/or services that are innovative. Request for proposals do not tie firms to existing

processes or rigid specifications but, rather, encourage new approaches, techniques and methods for meeting the Division's requirements.

Purchase Order	A legal contract between the School Division and a vendor that gives the vendor authority to ship and charge for the goods specified in the order.
Standing Order	A contract that provides for a vendor to supply specified products or services for a specified period of time with actual requirements to be determined, requested and delivery when and as required. Also referred to as a preferred vendor.
Division Approved Method	A written agreement between the school division and the vendor such as a standing order or contract.
Construction	Means a construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work.
Annex 502.4 of the Agreement on Internal Trade	Contains provisions for municipalities, municipal organizations, school boards and publicly funded academic, health and social services organizations. This includes requirements for tenders to be advertised nationally.
<i>New West Partnership Trade Agreement (NWPTA)</i>	An accord between the Governments of British Columbia, Alberta, Manitoba and Saskatchewan that creates Canada's largest barrier-free interprovincial market.

Procedures:

- 1) Acquisition of all goods and services shall be conducted by the budget manager or designate and will be consistent with this procedure.
- 2) The following chart establishes the spending limits for personnel in the Division. These limits are subject to processes established elsewhere in this Administrative Procedure and to the purchase amount falling within the annual budget for the school or department as approved by the Board and adherence to all current Board contractual agreements.

Amount	Type: <i>Subject to transaction limit set by budget manager</i>	Procedure / Process	Vendor Approval Authority	Approval / Signing Authority
Up to \$5,000	P-Card Purchase Order Petty Cash Expense Claim	See flow chart	Employee making purchase	Budget Manager
\$5,000 up to \$15,000	Purchase order or Division approved method	Verbal quotes	Budget Manager	Budget Manager
\$15,000 to \$75,000	Purchase order or Division approved method	Three (3) written quotes (see 7 (d) below)	Budget Manager	Budget Manager
\$75,000 to \$200,000	Purchase order or Division approved method	Formal tender process for goods & services <i>*optional for construction *</i>	Budget Manager	Budget Manager
\$200,000 to \$250,000	Purchase order or Division approved method	Formal tender	Budget Manager	Deputy Director of Division Services, CFO, CHRO
Over \$250,000	Purchase order or Division approved method	Formal tender	Board of Education	Board of Education

- 3) The Division will adhere to the principles of the New West Partnership Trade Agreement (NWPTA) signed by the provinces of Alberta, British Columbia, Manitoba and Saskatchewan. Goods and services required for the Division will be purchased through competitive buying practices required under the agreement.
 - a) Goods and service purchases over \$75,000 and construction over \$200,000 shall be posted on the designated provincial site (www.sasktenders.ca).
 - b) When utilizing the designated provincial site, the full tender documents, prepared in accordance with appropriate protocol and careful business practice, shall be posted.
- 4) The Division will acquire all goods and services through open and transparent competitive buying practices subject to the minimum tendering and quotation requirements as outlined in the chart.
 - a) The budget manager is responsible to document and maintain information on purchases in adherence to this administrative procedure for submission to Finance, if requested.
 - b) The following goods and services do not require tendering under this procedure: utilities contracts, legal services and insurance.
- 5) Quotations, verbal or written, shall consider the following:
 - The estimated purchase price
 - Identify taxes or duties
 - Terms of shipping, handling and delivery
 - Requirements for installation

- Responsibility and requirements for insurance
- Outline maintenance and service requirements if applicable
- Clarify warranties required
- Disposal costs if applicable
- Details of consulting or training required
- Changes required to existing products or services based on the new product or service
- Requirements with transitioning from one supplier to another
- Identify conformity assessment certifications, plans, drawings or instructional materials required
- Indicate whether extension to contract might be options

6) Verbal quotations

- a) When the order ranges between \$5,000 and \$15,000, verbal prices or catalogue prices on a requisition are acceptable.
- b) The budget manager is responsible to approve the selected vendor.

7) Written quotations

- a) When the order ranges between \$15,000 and \$75,000, a minimum of three (3) written quotations are required to support the vendor decision.
- b) The budget manager is responsible to approve the selected vendor.
- c) Where no competitive supply market exists, or it is considered in the best interests of the Division, the budget manager in consultation with the Controller shall employ such value analysis and negotiation methods considered appropriate for obtaining acceptable material or services at the lowest possible cost.
- d) In exceptional circumstance with the approval of the Controller, fewer than three (3) written quotes may be requested.

8) Tenders

- a) A tender is to be used when:
 - i) The Director of Education or designate deems it to be in the interests of the Division.
 - ii) As required by *The Education Act, 1995* and/or *NWPTA*. This means:
 - (1) Goods and/or services in the amount of \$75,000 or more.
 - (2) Construction expenses in the amount of \$200,000 or more.

- iii) Detailed procedures to be followed are outlined in *Guidelines to the Procurement Obligations of Domestic and International Trade Agreements Feb 2014*
- b) The budget manager is responsible for preparing the tender in accordance with this administrative procedure and all applicable trade agreements.
- c) The Finance department shall provide support to the tender process:
 - i) Filing of the tender documents in the centralized electronic filing system
 - ii) Preparation of tender templates to provide consistency
 - iii) Posting of tenders on the designated electronic tendering system provided by the Province of Saskatchewan (SaskTenders)
 - iv) Posting of award information on SaskTenders.
 - v) Communications (with the assistance of the budget manager) with legal services as required.
 - vi) Preparation of information including the number and aggregate value of procurement contracts covered by the Canadian Free Trade Agreement (CFTA) obligations and submitted to the provincial government.
- 9) The following responsibilities and authorities will apply to the various purchasing functions:
 - a) The Deputy Director of Division Services, CFO, CHRO or designate is responsible for:
 - i) The general supervision of the purchasing function in the Division.
 - ii) The establishment of procedures for the authorization of all purchases and the disposal of all surplus equipment, furniture and materials.
 - iii) Establishing and maintaining system standards and specifications for commonly used goods and services.
 - iv) The sole authority to execute purchase or lease contracts or purchase orders on behalf of the Division.
 - v) Recommending the coordination of common requirements from all schools and buy for the entire system at once to gain advantages arising out of quantity buying whenever it is reasonably possible.
 - b) The Controller or designate shall be responsible for:
 - i) Processing the authorized purchase or lease of goods and services in compliance with this procedure.
 - ii) Ensuring support is provided in compliance with this procedure.

- c) The appropriate budget manager shall have the responsibility for obtaining quotations and tenders in accordance with this procedure and the review of the information with the originator prior to placing the order if the cost exceeds the estimate given on the requisition.
 - i) Computer devices –Purchase of computer devices, including iPads, android tablets, PCs, laptops, notebooks and/or related technology devices are subject to the approval of the IT department and established Division standards and models.
 - ii) Furniture – Purchases of furniture items are subject to established Division standards and models.

10) Award of Contract

- a) Normally all awards shall be made based on the lowest price complying with all applicable specifications, but where appropriate, suitability, quality, availability, service, related administrative costs, disposal value, and the supplier's previous record of performance and service will be considered.
- b) Normally contracts will be for a one-year duration with provision to extend with the following exceptions:
 - i) Audit services – three (3) years with an optional two (2) years.
 - ii) Janitorial services – three (3) years with an optional two (2) years.
 - iii) Financial services – five (5) years with an optional five (5) years.
 - iv) Facility services (e.g., snow removal, grass cutting) – three (3) years.
 - v) Technology – three (3) years with an optional two (2) years.
- c) Commitments to purchase goods or services exceeding one year in length or that, in the opinion of the Controller, include complex conditions requiring more formal documentation, will be made using a written contract as the purchasing document (e.g., standing order for fuel, plumbing services, etc.).
- d) Purchases of services will be made using a written contract as the purchasing document.
- e) The Controller or designate will consult with the Board's legal counsel to establish contract terms and conditions for purchase orders and written contracts for goods and services.
- f) The Board will approve the awarding of all contracts more than \$250,000 in value.

11) Confidentiality of Information

- a) All tenders/quotations shall be requested in sealed, marked envelopes. Names or numbers of bidders will not be released prior to the closing of tenders/quotations.
- b) All tenders will be publicly opened. Bidders are invited to attend the opening where information on pricing will be given.

- i) In the event of a single envelope bid, the Division may choose to leave the envelope closed and re-tender for the goods or services.
- c) After an award has been made, information shall be published within seventy-two (72) days including:
 - i) Description of goods/services
 - ii) Name of procuring entity and successful supplier
 - iii) Value of successful tender
 - iv) Date awarded
- d) Upon request, provide a vendor debriefing opportunity.

12) Documentation Management

- a) All purchase supporting documents are to be maintained on file for three (3) years by the budget manager. This includes purchase orders and information from verbal or written quotations.
- b) All tender documentation records are to be maintained on file for three (3) years. These records are to be forwarded in electronic format to the Controller or designate for filing in the electronic purchasing files.

13) Disputes

- a) The Deputy Director of Division Services, CFO, CHRO shall be designated as the Complaints Officer.
 - i) A complainant shall submit his complaint in writing within thirty (30) days from the date of the disputed award to the Complaints Officer for consideration
 - ii) If the Complaints Officer determines the complaint has merit, the Complaints Officer shall investigate the matter and make recommendation to the Director of Education and the Board of Education for resolution.
 - iii) If the Complaints Officer determines the complaint does not have merit, the complainant shall be advised in writing of the decision.
 - iv) The complainant may make a further request in writing to the Complaints Officer for mediation of the matter. Mediation shall take place within a further sixty (60) days from request date and shall be conducted by a licensed mediator.
 - v) If mediation does not result in agreement between the parties, the complainant may, within a further thirty (30) days from the date of mediation, make a request for arbitration. The arbitration shall be before a single arbitrator chosen by both parties and shall be conducted

in accordance with the provision of *The Arbitration Act, 1992 of Saskatchewan*. The costs of the arbitration shall be borne by the unsuccessful party.

14) Compliance

- a) All employees are responsible for knowing, understanding and complying with this administrative procedure.
- b) Failure to comply with this procedure may result in disciplinary action.
- c) Any instances of non-compliance are to be reported to the Deputy Director of Division Services, CFO, CHRO or designate.

15) Prohibited Practices

- a) Orders shall not be split for circumventing the limitations specified in this procedure.
- b) No employee shall solicit any gift or entertainment from a current or potential supplier.
- c) No employee shall accept any gift, other than of nominal value for advertising purposes, or any substantial entertainment, from a current or potential supplier.
- d) No employee shall be influenced in any purchasing decision by consideration of personal gain.
- e) No staff member of the Division shall purchase or lease any goods or services from or through the Division for personal use or gain. If any purchase or contract is made contrary to this regulation, the Division shall not be bound thereby.
- f) Except with the approval of the Deputy Director of Division Services, CFO, CHRO, the Division shall not purchase goods or services from Division employees or from companies in which Division employees have an ownership interest for an amount more than Fifty Dollars (\$50).
- g) Gift certificates or gift cards to be given to any staff. Any such transaction shall be included on the recipient's annual T-4.
- h) Gift certificate or gift cards to be given to staff or non-staff member to facilitate shopping (e.g., a gift card purchases from a grocery store and given to another employee or student who is required to pick up groceries).
 - i) An exception may be approved by the Accounting Supervisor when the use of a gift card by the vendor is required to access local discounts. Receipts must be maintained to support the value of the gift card.
 - ii) All other requests for exceptional circumstance must be pre-approved by the Deputy Director of Division Services, CFO, CHRO, otherwise the purchase will be the financial responsibility of the employee.

- i) Any transactions made in contradiction to this administrative procedure shall be immediately report to the Deputy Director of Division Services, CFO, CHRO, and may be subject to disciplinary action.

References:

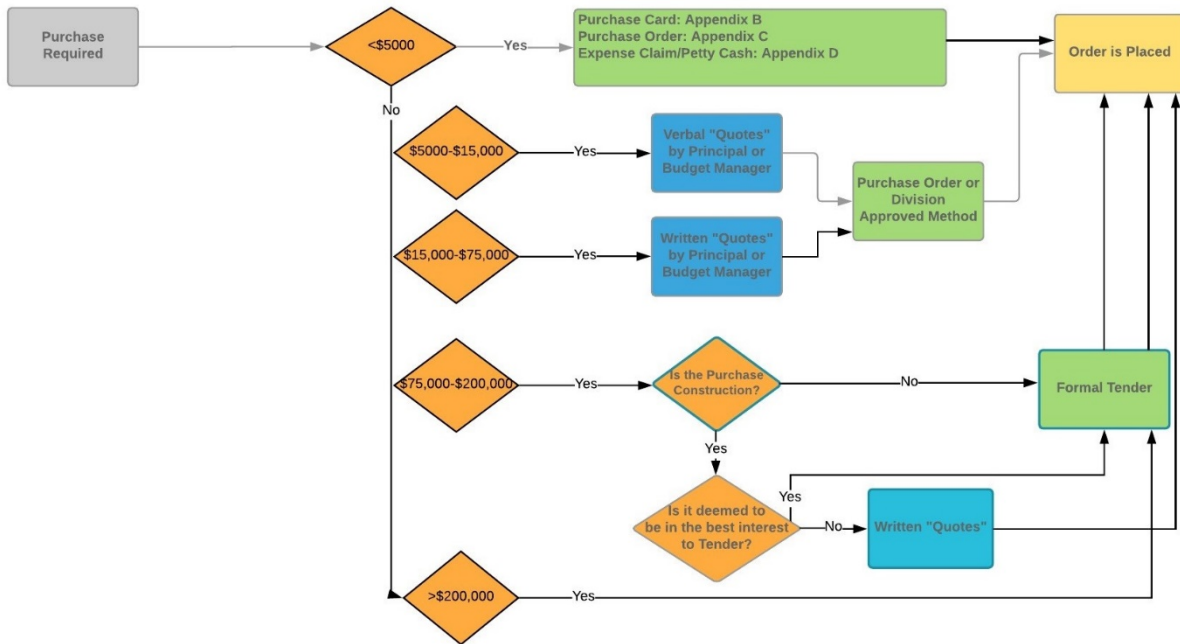
[Education Act, 1995](#), Sections 85, 344, 351, 354, 355

New West Partnership Trade Agreement (NWPTA)

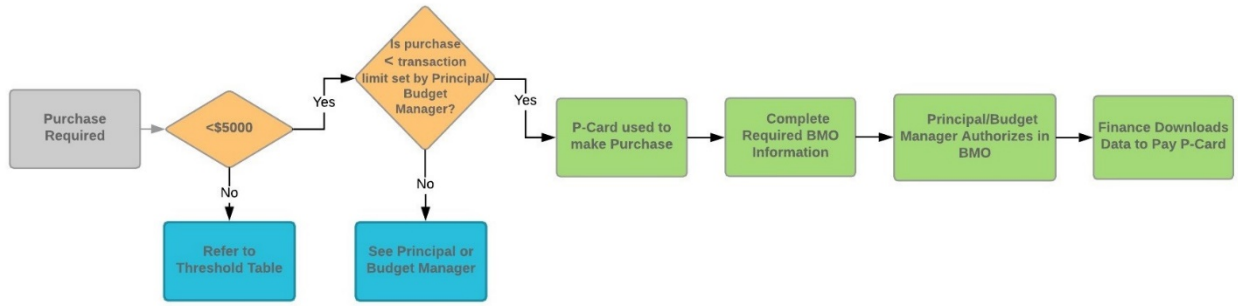
Canadian Free Trade Agreement (CFTA)

Annex 502.4 Agreement on Internal Trade

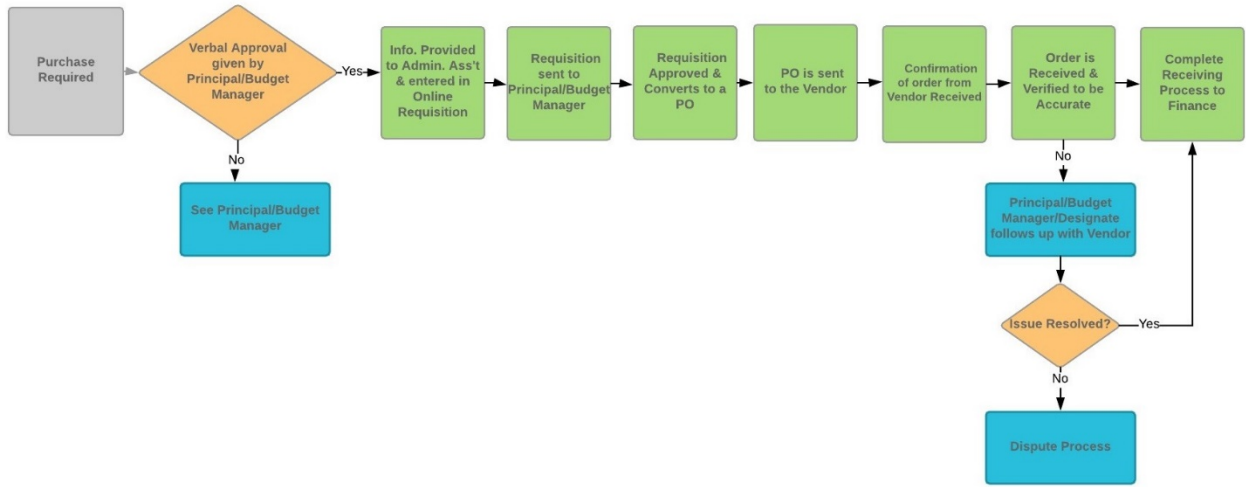
Appendix A – Purchasing Flowchart



Appendix B – PCard Flowchart



Appendix C – PO Flowchart



Appendix D – Petty Cash - Employee Reimbursement Flowchart