

Administrative Procedure 520

PURCHASING

Background

The Division requires that all procurement of goods and services are handled with consideration of, the total acquisition cost including life cycle cost, and adheres to the principles of non-discrimination, access by qualified suppliers, fair acquisition processes, and transparency of policy and procedure to the best overall value of the organization.

In certain specific circumstances, schools and suppliers need to be aware of the procurement obligations of the school division and that goods and services are obtained in accordance with the requirements of this administrative procedure.

Procedures

1. Procurement up to \$5,000 – Any one item, or an accumulation of items, not exceeding \$5,000 in value may be purchased based on the department/school knowledge of an experience with the supplier, or based on the department/school's knowledge of last purchase price or verbal quotation. These purchases should be made using the Procurement Card (PCard) and are subject to the terms and conditions contained in the Purchasing Card Manual.

In all procurement circumstances, Administrative Procedure 414: Conflict of Interest applies.

2. Procurement over \$5,000 and up to \$20,000 – Any one item or an accumulation of items over \$5,000 but not exceeding \$20,000 in value may be purchased on the basis of written competitive quotations from no fewer than three (3) suppliers.

If the school/department obtains the quotations, all original quotations must be forwarded to Financial Services for review, prior to the issuance of a contract.

3. Procurement over \$20,000 – Any one item, or an accumulation of items, exceeding \$20,000 in value must be purchased through a formal competitive bid process managed by Financial Services.

Financial Services will determine the best formal competitive bid process to use, subject to the following externally-imposed requirements:

- 3.1 *The Education Act, 1995* and the Education Regulations, 1986.
- 3.2 New West Partnership Trade Agreement (NWPTA) – an accord between the Governments of British Columbia, Alberta and Saskatchewan.
- 3.3 Agreement on Internal Trade – Annex 502.4 – a national agreement.

A formal competitive bid process for goods or services valued at less than \$75,000 and for construction valued at less than \$200,000 may include invitational Requests for Proposals and/or posting on Sasktenders.ca website.

A formal competitive bid process for goods or services valued at \$75,000 or more and at \$200,000 or more for construction will require posting on Sasktenders.ca website.

4. Time to Prepare and Submit Formal Competitive Bid Processes – A reasonable period of time will be offered to proponents to submit a formal competitive bid taking into account: the nature of and complexity of the procurement, the time necessary for transmitting bids by non-electronic means and the extent of possible sub-contracting. Unless emergency situations exist, the following minimum parameters will be in place from the date of issue:
 - 4.1 Seven calendar days where a state of urgency exists.
 - 4.2 Ten calendar days when electronic submissions are allowed.
 - 4.3 Twenty-one calendar days for detailed or complex competitions requiring written submissions.

5. Sole or Single Source Purchases - The intent is to conduct a competitive bid process for all purchases over \$5,000, however if the following conditions exist, the Chief Financial Officer may approve sole or single source purchases, considering value analysis and applying appropriate negotiation methods:
 - 5.1 an emergency situation exists or urgent purchase is required.
 - 5.2 a confidential situation exists.
 - 5.3 the goods and/or services are supplied by a sole source
 - 5.4 it is in the best interest of the school division, for example compliance with Ministry-recommended purchases
 - 5.5 it is in the best interest of the school division, for example if the extension or renegotiation of an existing contract, whose services or supply are satisfactory and the costs of a competitive process do not justify its expense
 - 5.6 proprietary acquisition, warranty requirements, patent rights, license agreements or other obligations exist which may prevent using normal competitive processes.

6. Compliance – All employees are responsible for knowing, understanding and complying with this Administrative Procedure. As well, orders will not be 'split' for the purpose of circumventing limitations contained in these procedures.
 - 6.1 Failure to comply may result in disciplinary action
 - 6.2 Instances of non-compliance are to be reported to the Chief Financial Officer. Financial Services will manage reporting of non-compliance, follow-up with staff and resulting actions.

7. Criteria for considering award - Competitive bid processes will indicate the criteria for evaluation; this includes but is not limited to: price, quality, conformance to specifications, reputation of supplier/references/previous experience, warranty, lead time/availability.

8. Responsibilities and Delegated Authorities - the following responsibilities and authorities will apply to the various purchasing functions:
 - 8.1 The Chief Financial Officer is responsible for general supervision of the purchasing services and procedures.
 - 8.2 Financial Services is authorized to affect all purchases and establish procedures to ensure conformity.
 - 8.3 Budget managers have authority for purchases in accordance with the requirements outlined in this and other Administrative Procedures.
 - 8.4 The Board of Education must approve and authorize new initiatives or goods and services that are material in substance or value.
 - 8.5 Financial Services is authorized to negotiate the purchase with the successful proponent from a previous competitive bid process, if the same goods or services are required within six months of awarding the previous competition.
 - 8.6 Financial Services will, whenever it is reasonably possible and advantageous, to coordinate common requirements from all schools. Group buying with outside agencies (i.e., other municipal authorities, educational institutions or school divisions) will occur whenever it is advantageous to do so.

9. Complaints – The Chief Financial Officer shall be designated as the Complaints Officer. A complainant shall submit his complaint in writing within 30 days from the date of the disputed award to the Complaints Officer for consideration. If the Complaints Officer determines that 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. If the Complaints Officer believes that the complaint does not have merit, he or she will advise the complainant in writing of the decision.

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 60 days from request date and shall be conducted by a licensed mediator.

If mediation does not result in agreement between the parties the complainant may, within a further 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.

Reference: Section 69, 85, 87, 109, 110, 349-356, *The Education Act, 1995*
Annex 502 Agreement on Internal Trade
Section 83.1, 83.3, Education Regulations

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