

SCHOOL DISTRICT 82 (COAST MOUNTAINS)

Finances

Date Revised: July 2005

4400: Purchasing, Bidding Procedures, and Tender Acceptance

POLICY

The Secretary Treasurer is empowered to make all purchases authorized by the annual budget and has the right and privilege to submit any item to either a committee or the Board at his or her discretion.

The Secretary Treasurer is empowered to accept the low bid on tenders for items authorized by the annual budget. He or she has the right to submit any bids to committee or Board for assessment and decision.

Where competitive bids have been submitted and a case develops where other than the lowest bid may be accepted for justifiable reasons, such acceptance shall be based on approval at levels established by the Board.

The Secretary Treasurer shall submit progress reports on capital expenditures at regular intervals for the Board's information.

REGULATIONS

I. Procedures for Purchase of Supplies and Equipment

A. Teaching Supplies and Library Supplies

- i) The Secretary Treasurer and the Superintendent of Schools will provide an annual allocation of funds for each school for the purchase of teaching supplies and library supplies operating accounts based on pupil enrolments as of 30 September. A statement showing the amount allocated for the school year will be sent to every principal.
- ii) Each month a statement of expenditures from these allocations will be sent to principals, with copies of paid invoices. Over-expenditure of the allocation will not be allowed except as specifically approved by the Secretary Treasurer. Any over-expenditure will be recovered from other budgets.
- iii) Bulk orders and general supplies orders are to be placed twice a year. Sixty per cent of the budget allocation is to be used on 15 May for

September delivery, and the balance on 15 November for January delivery. Bulk orders for photocopy paper will be placed once yearly May 15 for September delivery.

B. Maintenance Projects

- i) Requests for major repairs, painting, and other maintenance projects should be submitted to the Secretary Treasurer with a copy to the Director of Facility Services before 25 January, for inclusion in the following year's budget.

C. Procedures for Purchase Requisitions

- i) The requisition originates at the school.
- ii) The requisition will be entered on the computerized District Purchasing System by the school.
- iii) Purchases may be shipped direct to location or shipped via central receiving.
- iv) Freight slips must be signed at the time of receipt of goods after checking quantity. [Sample: Received 6 Sept. 97/ Subject to inspection, (Signature) John Doe.]
- v) Upon receipt of goods, individual items are to be checked against packing slip. The packing slips are to be forwarded immediately to the School Board Office, duly received by the person responsible [Sample: Received 17 Sept. 97/ (Signature) Joe Doe.
- vi) Claims for damage must be made within 24 hours of receipt of goods from the freight carriers.
- vii) Items listed on the packing slip but not received, are to be marked as "not received" opposite the missing item or items.
- viii) If goods are received without a packing slip, a memo with the following information should be forwarded to the School Board Office:
 - a) School
 - b) date
 - c) supplying firm's name
 - d) Purchase Order number, if available

- e) a list of goods

D. Completed Purchase Orders

- i) When the Purchase Order is complete, either by receipt of all goods or cancellation of the order, the green copy of the Purchase Order, with the packing slips attached, are to be forwarded to the Board Office.
- ii) This procedure **MUST** be followed to ensure prompt payment of suppliers' invoices.

E. Local Purchase Orders

- i) For local purchases **ONLY**, use the Local Purchase Order.
- ii) This four (4) part form **MUST** be signed by an administrative officer or authorized designate, and be completed to show the Account Code and school name.
- iii) Total purchase on any one Local Purchase Order must not exceed \$400.00 including applicable tax.
- iv) All Local Purchase Orders must be priced and copies distributed as follows:
 - a) **WHITE COPY** (vendor's copy) given to supplier.
 - b) **PINK COPY** sent to Purchasing Department for posting to account.
 - c) **YELLOW COPY** (originator's copy) kept at school for office records.
 - d) **GREEN COPY** sent to accounts payable with the last packing slip completing the order.
- v) The Local Purchase Order is not to be used if tax exemptions are to be claimed. Goods requiring tax exemptions must be processed through the purchasing system on the regular purchase requisitions.
- vi) Schools should ensure that competitive prices are obtained for locally purchased goods.
- vii) Schools will enter Local Purchase Orders on the computerized District Purchasing System.

F. General Information

- i) It is essential that accurate prices be placed on requisitions. If the price is quoted, the requisition must indicate the price, the person who has made the quote, and when the quote was made. If the price is quoted from a catalogue, the requisition must indicate the catalogue number, date, and page number.
- ii) No notes or instructions other than the order for supplies should be on the white copy of the Purchase Requisition.
- iii) It is essential that packing slips and green copies of Purchase Orders be forwarded to the Board Office immediately in order that vendors are paid promptly.

II. Procedures for Purchase, Replacement, and Repair of Capital Equipment

A. Definition

- i) Capital Equipment will normally—
 - a) cost more than \$100.00 at the time of purchase;
 - b) bear a registered number;
 - c) have a capital value throughout its useful life.
- ii) Photocopiers and computers, furniture, desks, filing cabinets, carts, cameras, etc. may not bear a registered number; however, these items are included in the category of capital equipment.

B. General Information

- i) The Secretary Treasurer and the Superintendent of Schools will prepare an annual allocation of funds for each school for the purchase and replacement of capital equipment. A statement showing the amount allocated for the school year will be sent to every principal.
- ii) Equipment in need of repair will be dealt with immediately upon notifying the Director of Facility Services. If the equipment is not repairable, the school will be notified that they must submit Purchase Requisition.
- iii) Capital equipment will be replaced when—

- a) it is old or out-dated,
 - b) repair costs are too high,
 - c) equipment is broken or worn out,
 - d) budget allowances have been taken into consideration and priorities established.
- iv) Principals who are purchasing equipment should consult with the assistant Secretary Treasurer regarding type and quality.
- v) The district reserves the right to standardize some equipment.
- vi) Schools will coordinate acquisition of large items through the assistant Secretary Treasurer (e.g., photocopiers, computers).
- C. Methods of Purchase
- iii) Where the total purchase cost of a single unit is less than \$25,000.00, or a group of units is less than \$250,000.00, the method of purchase may be other than public tender, at the discretion of the Secretary Treasurer.
- iv) Where a specific item has been the subject of an unlimited public tender closing within ninety days prior, purchase may be made by negotiations with any previous tender provided that the price per unit obtained is not higher than that of the successful previous tender (see Section: *Tendering Procedures and Regulations*).
- v) Where a particular unit is specified, and where it is definitely known that there are no alternative resources, the unit(s) may be purchased by direct negotiations with the manufacturer, publisher, or supplier thereof.
- vi) Where additional discounts can be obtained through consolidation of requirements for groups of related items, or for standardization of inventory, the purchase may be by direct negotiations with the suppliers thereof.
- vii) Where the price is fixed, whether by legislation or tariff or other legal means, purchase may be made without recourse to tendering procedures.
- viii) Where, for reasons of service requirements, unsatisfactory performance on previous purchase, or consistently poor quality, tenders from some suppliers cannot be considered, purchase may be made by invited or otherwise restricted tender.

III. Tendering Procedures and Regulations

A. General Information

- i) Where purchases are proposed under II (C) (i) above, the purchase may be made by comparative selection or made by a previous supplier.
- ii) When purchases are proposed under II (C) (iii) and II (C) (iv) above and the cost is anticipated to be in excess of \$250,000.00 the prior approval of the Board shall be obtained.
- iii) When purchases are proposed under II (C) (vi) above and the cost is anticipated to be in excess of \$250,000.00 prior submission shall be made to the Board showing the nature of the restriction in question.
- iv) Materials testing fees should be paid by the School Board.
- v) Tendering Guidelines may be changed by resolution of the Board, and will be in line with Government Purchasing Policy.
- vi) General liability and property insurance shall be by the owner. The correct wording of this condition is as described in the Appendix to Section 2 of the *Schools Facilities Policies and Procedures Guidebook*.

B. Invitation to Bid

- i) Invitations to Bid should include the following information, as appropriate:
 - a) name and address of the school district
 - b) name or project
 - c) site location(s)
 - d) name and address of consultant to whom the questions should be addressed
 - e) brief description of the project (note any work by others)
 - f) form of Agreement normally as CCDC.2—1982
 - g) list of contract documents
 - h) statement that bidding is open to all contractors

- i) time and date when tenders close
- j) period for which bids shall remain open
- k) date(s) for completion, if established by the School Board
- l) guarantee requirements (e.g. roofing)
- m) bonding requirements for contract performance, and labour and materials; (note that for projects exceeding \$100,000, a performance bond shall be in the form stipulated by the Secretary Treasurer)
- n) definition of the base bid, and whether separate bids or combinations of bids may be accepted
- o) process for approval of equivalent products.

C. Instructions to Bidders

- ii) Bids are to be delivered to the School Board at the given address.
- iii) Bids are to be made on the form provided.
- iv) Bids are irrevocable.
- v) Bidders are solely responsible for the delivery of their bids.
- vi) No agent or employee of the School Board shall act as courier or agent on behalf of the bidder.
- vii) Bid depository shall be used on projects exceeding \$200,000.00 for sub-trades comprising 10 percent or more of the bid.
- viii) Bids shall be sealed.
- ix) Telephoned revisions to a bid are not acceptable; a written confirmation of any revision must be received prior to the tender closing time. Telegrams, telex, and fax are acceptable as written confirmation.
- x) If only one bid is received, the board reserves the right to accept or reject that bid.
- xi) Bidders must confirm examination of the site.
- xii) Bidders must acknowledge receipt of all addenda to the tender documents.

- xiii) The lowest, or any, bid will not necessarily be accepted, but if the Board does accept a bid, it will be the lowest qualified bid.
- xiv) Bidders should note that general liability and property insurance is provided by the School Board.

D. Tender Calls

- i) Where the anticipated value is in excess of \$250,000.00 tenders will not be called without the approval of the Board or designated committee of the Board.
- ii) No tender shall be called without a minimum 14 day tender period.
- iii) Tender requests will be mailed to—
 - a) all firms from whom tenders have been received on any one of the three previous occasions upon which similar items have been tendered;
 - b) other suppliers from whom the Director of Facility Services has reason to expect a bid;
 - c) other firms requesting notification.
- iv) A list of suppliers from whom purchases have been made shall be maintained by the Maintenance Department.
- v) Tender openings will be handled by the Secretary Treasurer and a witness.

E. Acceptance of Tenders

- i) Where the total tendered value does not exceed \$250,000., the lowest tender may be accepted without reference to the board.
- ii) Tenders which do not conform to specifications may be considered.
- iii) Acceptance of tenders in excess of \$250,000.00 total cost shall be made by the Board, on the recommendation of the Secretary Treasurer.